

I Mina'trentai Sais Na Liheslaturan Guåhan  
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
213-36 (COR)	Joe S. San Agustin	AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION.	10/12/21 4:20 p.m.	10/19/21	Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning	1/9/22 9:00 a.m.	3/29/22 4:24 p.m.	Request: 10/19/21  10/22/21	
				10/26/21	Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts				



**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities,  
and the Arts*

March 29, 2022

The Honorable Therese M. Terlaje

Speaker

*I Mina'rentai Sais na Liheslaturan Guåhan*

163 Chalan Santo Papa

Hagåtña, Guam 96910

**Via: Vice Speaker Tina Rose Muña Barnes**   
Chairperson, Committee on Rules

**Re: Committee Report on Bill No. 433-36 (COR) As introduced**

*Håfa adai* Speaker Terlaje:

Transmitted herewith is the Committee Report on **Bill No. 213-36 (COR)** – Joe S. San Agustin- "An Act to *Add* a New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation."

Committee votes are as follows:

  2   TO DO PASS

  0   TO NOT PASS

  3   TO REPORT OUT ONLY

  0   TO ABSTAIN

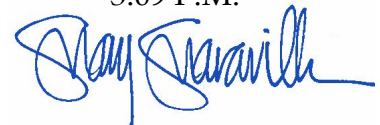
  0   TO PLACE IN INACTIVE FILE

**COMMITTEE ON RULES**

**RECEIVED:**

March 29, 2022

3:09 P.M.



Si Yu'os ma'åse',



Clynton E. Ridgell



**Clynton E. Ridgell**

Senator – 35<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities,  
and the Arts*

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## **COMMITTEE REPORT**

### **Bill No. 213-36 (COR)**

Introduced by Joe S. San Agustin

AN ACT TO ADD A NEW §§8119(A) TO  
CHAPTER 8, TITLE 12, GUAM CODE  
ANNOTATED, ESTABLISHING AN  
EXEMPTION FOR THE CONSTRUCTION OF  
NEW FORTY-ONE MEGAWATT CABRAS  
ULTRA LOW SULFUR DIESEL UNITS ON LOT  
261 AND 257, U.S. NAVY APRA HARBOR  
RESERVATION.

238 Archbishop Flores St · Suite 906 – DNA Building · Hagåtña GU 96910

Phone: (671) 475-4983 · Fax: (671) 475-4768

[clyntridgell@guamlegislature.org](mailto:clyntridgell@guamlegislature.org)



**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

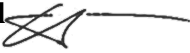
*Committee on Economic Development, Agriculture, Power and Energy Utilities,  
and the Arts*

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March 29, 2022

**MEMORANDUM**

**To:**           **All Members**  
                  Committee on Economic Development, Agriculture, Power and Energy Utilities, and  
                  the Arts

**From:**       **Senator Clynton E. Ridgell**   
                  Committee Chairperson

**Subject:**     **Committee Report on Bill No. 213-36 (COR)**

Transmitted herewith is the Committee Report on **Bill No. 213-36 (COR) – Joe S. San Agustin - An Act to Add a New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation.**

This report includes the following:

- Copy of COR Referral of Bill No. 213-36 (COR)
- Notices of Public Hearing & Other Correspondence
- Copy of the Public Hearing Agenda
- Public Hearing Sign-in Sheet
- Submitted Testimonies
- Committee Report Digest
- Copy of Bill No. 213-36 (COR)
- Copy of Fiscal Note from Bureau of Budget and Management Research
- Committee Vote Sheet

Please take the appropriate action on the attached vote sheet; your attention to this matter is greatly appreciated. Should you have any questions or concerns, please contact my office.

Si Yu'os ma'åse'





Vice Speaker

**TINA ROSE MUÑA BARNES**

**CHAIRPERSON, COMMITTEE ON RULES**

*I Mina'trentai Sais Na Liheslaturan Guåhan*

GUAM CONGRESS BUILDING  
163 CHALAN SANTO PAPA  
HAGÅTÑA, GUAM 96910  
TEL 671-472-2461  
COR@GUAMLEGISLATURE.ORG

October 26, 2021

# MEMO

**To:** **Rennae Meno**  
Clerk of the Legislature  
  
**Attorney Ana Won Pat-Borja**  
Legislative Legal Counsel

**From:** **Senator Amanda L. Shelton**  
Acting Chairperson, Committee on Rules

**Re:** **Re-Referral of Bill No. 213-36 (COR)**

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*Buenas yan Håfa adai,*

As Acting Chairperson of the Committee on Rules, I am forwarding the re-referral of Bill No. 213-36 (COR) – Joe S. San Agustin - "AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION."

Please ensure that the subject bill is re-referred to the **Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts**, chaired by Senator Clynton E. Ridgell.

I also request that the same be forwarded to the prime sponsor of the subject bill.

If you have any questions or concerns, please feel free to contact Mary Maravilla, Committee on Rules Director at 472-2461.

Thank you for your attention to this important matter.

Respectfully,

**Senator Amanda L. Shelton**  
Acting Chairperson, Committee on Rules





Vice Speaker

**TINA ROSE MUÑA BARNES**

**CHAIRPERSON, COMMITTEE ON RULES**

*I Mina'trentai Sais Na Liheslaturan Guåhan*

GUAM CONGRESS BUILDING  
163 CHALAN SANTO PAPA  
HAGÅTÑA, GUAM 96910  
TEL 671-472-2461  
COR@GUAMLEGISLATURE.ORG

October 18, 2021

# MEMO

**To:** **Rennae Meno**  
Clerk of the Legislature

**Attorney Ana Won Pat-Borja**  
Legislative Legal Counsel

**From:** **Senator Amanda L. Shelton**  
Acting Chairperson, Committee on Rules

**Re:** **Referral of Bill No. 213-36 (COR)**

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*Håfa Adai,*

As per my authority as Acting Chairperson of the Committee on Rules and subject to §6.01(d), Rule VI of our Standing Rules, I am forwarding the referral of Bill No. 213-36 (COR) – Joe S. San Agustin – “AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION.”

Please ensure that the subject bill is referred to the **Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning, chaired by Senator Sabina Flores Perez.**

I also request that the same be forwarded to the prime sponsor of the subject bill.

If you have any questions or concerns, please feel free to contact Mary Maravilla, Committee on Rules Director at 472-2461.

Thank you for your attention to this important matter.

Respectfully,

**Senator Amanda L. Shelton**  
Acting Chairperson, Committee on Rules





Erin M. Grajek <egrajek@guamlegislature.org>

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## FIRST NOTICE of Virtual Public Hearing

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Erin M. Grajek <egrajek@guamlegislature.org>  
Bcc: phnotice@guamlegislature.org

Wed, Jan 12, 2022 at 9:02 AM

### FOR IMMEDIATE RELEASE

January 12, 2022

### MEMORANDUM

**To: All Senators, Stakeholders, Media**  
**From: Senator Clynton E. Ridgell**  
**Re: FIRST NOTICE of Virtual Public Hearing: Thursday - January 20, 2022**

The Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts will conduct a series of Virtual Public Hearings on **Thursday - January 20, 2022 at 9:00 am** via Zoom Video Conference.

The Committee will hear and accept testimony on the following items:

**Bill No. 212-36 (COR) – Joe S. San Agustin** - An Act to Approve the Terms and Conditions of Guam Power Authority Revenue Bonds to Refund Outstanding Guam Power Authority Revenue Bonds.

**Bill No. 213-36 (COR) – Joe S. San Agustin** – An Act to Add New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of a New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation.

If you are interested in participating in the Virtual Public Hearing to provide testimony, please contact the Office of Senator Clynton E. Ridgell via electronic mail at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org) or (671) 475-4983 no later than January 18, 2022 for further guidance.

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The Public Hearing will broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117/112.4) and stream online via i Liheslaturan Guåhan's live feed. Written testimonies may be sent via email at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org).

All government activities, programs, and services are accessible for people with disabilities in compliance with Title II of the Americans with Disabilities Act (ADA). Should you or interested parties require assistance or special accommodations to fully participate in this public hearing, please contact the Office of Senator Clynton E. Ridgell at (671) 475-4983 or via email at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org).

--

Si Yu'os ma'åse',

**Erin Marie Grajek - Office Manager**  
The Office of Senator Clynton E. Ridgell  
238 Archbishop Flores St.  
Suite 906  
Hagåtña, GU 96910  
671-475-4983

*I Mina'trentai Sais na Liheslaturan Guåhan*  
Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts

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### 3 attachments



**FIRST NOTICE of Public Hearing - January 20, 2022.pdf**  
230K



**Bill No. 212-36 (COR).pdf**  
892K



**Bill No. 213-36 (COR).pdf**  
836K



**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities,  
and the Arts*

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**FOR IMMEDIATE RELEASE**

January 12, 2022

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**Re: FIRST NOTICE of Virtual Public Hearing: Thursday - January 20, 2022**

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If you are interested in participating in the Virtual Public Hearing to provide testimony, please contact the Office of Senator Clynton E. Ridgell via electronic mail at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org) or (671) 475-4983 no later than November 15, 2021 for further guidance.

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The Public Hearing will broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117/112.4) and stream online via i Liheslaturan Guåhan's live feed. Written testimonies may be sent via email at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org).

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Erin M. Grajek <egrajek@guamlegislature.org>

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## SECOND NOTICE of Virtual Public Hearing

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Erin M. Grajek <egrajek@guamlegislature.org>  
Bcc: phnotice@guamlegislature.org

Tue, Jan 18, 2022 at 9:00 AM

### FOR IMMEDIATE RELEASE

January 18, 2022

### MEMORANDUM

**To: All Senators, Stakeholders, Media**  
**From: Senator Clynton E. Ridgell**  
**Re: SECOND NOTICE of Virtual Public Hearing: Thursday - January 20, 2022**

The Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts will conduct a series of Virtual Public Hearings on **Thursday - January 20, 2022 at 9:00 am** via Zoom Video Conference.

The Committee will hear and accept testimony on the following items:

**Bill No. 212-36 (COR) – Joe S. San Agustin** - An Act to Approve the Terms and Conditions of Guam Power Authority Revenue Bonds to Refund Outstanding Guam Power Authority Revenue Bonds.

**Bill No. 213-36 (COR) – Joe S. San Agustin** – An Act to Add New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation.

If you are interested in participating in the Virtual Public Hearing to provide testimony, please contact the Office of Senator Clynton E. Ridgell via electronic mail at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org) or (671) 475-4983 no later than January 18, 2022 for further guidance.

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Si Yu'os ma'åse',

**Erin Marie Grajek - Office Manager**  
The Office of Senator Clynton E. Ridgell  
238 Archbishop Flores St.  
Suite 906  
Hagåtña, GU 96910  
671-475-4983

*I Mina'trentai Sais na Liheslaturan Guåhan*  
Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts

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### 3 attachments



**SECOND NOTICE of Public Hearing - January 20, 2022.pdf**  
191K



**Bill No. 212-36 (COR).pdf**  
805K



**Bill No. 213-36 (COR).pdf**  
748K



**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities,  
and the Arts*

---

**FOR IMMEDIATE RELEASE**

January 18, 2022

**MEMORANDUM**

**To: All Senators, Stakeholders, Media**

**From: Senator Clynton E. Ridgell**

**Re: SECOND NOTICE of Virtual Public Hearing: Thursday - January 20, 2022**

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If you are interested in participating in the Virtual Public Hearing to provide testimony, please contact the Office of Senator Clynton E. Ridgell via electronic mail at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org) or (671) 475-4983 no later than January 18, 2022 for further guidance.

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238 Archbishop Flores St · Suite 906 – DNA Building · Hagåtña GU 96910

Phone: (671) 475-4983 · Fax: (671) 475-4768

[clyntridgell@guamlegislature.org](mailto:clyntridgell@guamlegislature.org)



Erin M. Grajek <egrajek@guamlegislature.org>

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## A Letter from Senator Clynton E. Ridgell

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Erin M. Grajek <egrajek@guamlegislature.org>

Wed, Jan 12, 2022 at 3:37 PM

To: John M Benavente <jbenavente@gpagwa.com>

Cc: Selma HG Blas <sblas@gpagwa.com>, Fred Horecky <horeckylaw@teleguam.net>, jeffcharjohnson@hotmail.com

Håfa adai:

Please see the attached letter from Senator Clynton E. Ridgell. Kindly acknowledge receipt of this email and please let us know if you have any questions or concerns.

--

Si Yu'os ma'åse',

**Erin Marie Grajek - Office Manager**

The Office of Senator Clynton E. Ridgell

238 Archbishop Flores St.

Suite 906

Hagåtña, GU 96910

671-475-4983

*I Mina'trentai Sais na Liheslaturan Guåhan*

Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts

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### 2 attachments



**2022-01-20 John Benavente (GPA) - Notice of Public Hearing.pdf**

194K



**2022-01-20 John Benavente (GPA) - Notice of Public Hearing 2.pdf**

197K





**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities,  
and the Arts*

---

January 12, 2022

**Transmitted via Electronic mail**

jbenavente@gpagwa.com

Mr. John M. Benavente  
P.O. Box 2977  
Hagåtña, Guam 96932

Håfa adai Mr. Benavente:

This is to notify you that the Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts has scheduled a virtual public hearing on **Bill No. 213-36 (COR)** - Joe S. San Agustin - An Act to Add New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation.

The Virtual Public Hearing is scheduled for Thursday – January 20, 2022 at 9 am via Zoom Video Conference.

The Committee requests that you attend the virtual public hearing to present testimony on the bill, and you are welcome to invite other members of your team who will provide valuable input on the intent of the bill. Please contact Ms. Erin Grajek at the Office of Senator Clynton E. Ridgell via electronic mail at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org) or (671) 475-4983 no later than January 18, 2022 for further guidance or visit <http://guamlegislature.com/index/virtual-hearings/> for instructions.

Statements may be submitted via email at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org). Please submit written statements at least two days prior to the date of the hearing.

If you have any questions or concerns, please call our office at 475-4983 or send email to [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org).

Si Yu'os ma'åse',

Clynton E. Ridgell





**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities,  
and the Arts*

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**Virtual Public Hearing – via Zoom Video Conference**

**Thursday, January 20, 2022**

**9:00 am**

The Committee will hear and accept testimony on the items listed in the Agenda below.

**AGENDA**

**9:00 am:**

**Bill No. 213-36 (COR)** – Joe S. San Agustin – An Act to Add a New §8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation.

**Bill No. 212-36 (COR)** – Joe S. San Agustin - An Act to Approve the Terms and Conditions of Guam Power Authority Revenue Bonds to Refund Outstanding Guam Power Authority Revenue Bonds.

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Individuals who wish to participate in the virtual public hearing to provide testimony should contact Ms. Erin M. Grajek at the Office of Senator Clynton E. Ridgell via email at [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org) or at (671) 475-4983 for further information and guidance. Written testimonies may be submitted via email to [egrajek@guamlegislature.org](mailto:egrajek@guamlegislature.org); mailed to our office at 238 Archbishop Flores Street, Suite 906, Hagåtña, Guam 96910; or sent by fax at (671) 475-4768.

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**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts*

**VIRTUAL PUBLIC HEARING SIGN-IN SHEET**

**Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts**

**Thursday – January 20, 2022 • 9:00 am**

**Zoom Video Conference**

**Bill No. 213-36 (COR)** – Joe S. San Agustin – An Act to Add New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation.

NAME	AGENCY/ ORGANIZATION	POSITION	TESTIMONY	CONTACT INFORMATION
1. Sedfrey Linsangan		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
2. Michelle Voacolo	Micronesia Climate Change Alliance	SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
3. Christian San Nicolas	Micronesia Climate Change Alliance	SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
4. Moñeka DeOro	Micronesia Climate Change Alliance	SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
5. Frederick Horecky, Chief Administrative Law Judge	Public Utilities Commission	SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input checked="" type="checkbox"/>	horeckylaw@teleguam.net
6. John Benavente, General Manager	Guam Power Authority	SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input checked="" type="checkbox"/>	jbenavente@gpagwa.com
7. Ricardo Unpingco		SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
8. Victor Torres, Engineer	Guam Power Authority	SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
9. Ronald Okada		SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input type="checkbox"/>	



**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts*

**VIRTUAL PUBLIC HEARING SIGN-IN SHEET**

**Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts**

**Thursday – January 20, 2022 • 9:00 am**

**Zoom Video Conference**

**Bill No. 213-36 (COR)** – Joe S. San Agustin – An Act to Add New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation.

NAME	AGENCY/ ORGANIZATION	POSITION	TESTIMONY	CONTACT INFORMATION
1. Lourdes San Nicolas		SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
2. Kenneth Chargualaf		SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
3. Mayor Anthony Chargualaf	Municipality of Inarajan	SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
4. Eloy Hara		SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
5. Kyle Dahilig	Guam Youth Climate Strike	SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
6. Kalani Reyes		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
7. Maria Hernandez May		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
8. Czeska Cabuhat		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
9. Loisa Cabuhat		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	



**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts*

**VIRTUAL PUBLIC HEARING SIGN-IN SHEET**

**Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts**

**Thursday – January 20, 2022 • 9:00 am**

**Zoom Video Conference**

**Bill No. 213-36 (COR)** – Joe S. San Agustin – An Act to Add New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation.

NAME	AGENCY/ ORGANIZATION	POSITION	TESTIMONY	CONTACT INFORMATION
1. Joanie Leon Guerrero		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
2. Antoinette Charfauros McDaniel		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input checked="" type="checkbox"/>	
3. Aline Yamashita		SUPPORT <input type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
4. Clarissa White		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
5. Corazon Montellano		SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
6. James Moore		SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
7. Judith Won Pat		SUPPORT <input type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
8. Ma'ase DeOro		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
9. Mayor Jesse Alig	Municipality of Piti	SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	



**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

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NAME	AGENCY/ ORGANIZATION	POSITION	TESTIMONY	CONTACT INFORMATION
1. Organizations Against Bill 213-36 (COR)		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
2. Mayor Robert Hoffman	Municipality of Sinajana	SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
3. Save Southern Guahan		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
4. Simon Sanchez II		SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
5. Guam Youth Congress		SUPPORT <input type="checkbox"/> OPPOSE <input checked="" type="checkbox"/>	WRITTEN <input checked="" type="checkbox"/> ORAL <input type="checkbox"/>	
6.		SUPPORT <input type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input type="checkbox"/>	
7.		SUPPORT <input type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input type="checkbox"/>	
8.		SUPPORT <input type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input type="checkbox"/>	
9.		SUPPORT <input type="checkbox"/> OPPOSE <input type="checkbox"/>	WRITTEN <input type="checkbox"/> ORAL <input type="checkbox"/>	

January 20, 2022

Honorable Clynton E. Ridgell  
238 Archbishop Flores St.  
DNA Building, Suite 906  
Hagatna, Guam  
email: [clyntridgell@guamlegislature.org](mailto:clyntridgell@guamlegislature.org)

Dear Honorable Senator Ridgell,

This letter is in support of:

**Bill No. 213-36 (COR)** – Honorable Joe S. San Agustin

AN ACT TO ADD NEW §58119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION

And

**Bill No. 212-36 (COR)** – Honorable Joe S. San Agustin

AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFUND OUTSTANDING GUAM POWER AUTHORITY REVENUE BONDS.

Bill 213-36 will support the endeavors by GPA to secure reliable power generation, adhere to consent decree issues, and implement updated research/technology products and processes.

Bill 212-36 will allow for the investment of financial opportunities that could, in the end, serve in the best interests of consumers.

Many of us have vivid memories of a fragile power system that continuously had us load shedding. Today, good strides have been made by the visionary leadership of GPA. While, there will always be room for improvement, it is clear that GPA has delivered a system that has put us in a much more reliable situation. Their continued leadership will improve a power system that will increase reliability and durability.

Their studies about the emissions of the proposed structure next to Jose Rios Middle School tell us environmental health is focused upon. Their overall plan tells us the vision of power generation by renewable processes is anchored by the proposed diesel units. The plan will fortify the delivery system to ensure power delivery during natural disasters.

While both of my sons attended Jose Rios Middle School, there was not a concern of the proximity of the power plant. As a retired teacher and leader of the GDOE system, concerns of the power plant were not an issue.

If memory serves me well, the legislature will eventually go into committee of the whole to discuss the financial status and ramifications of Bill 212-036. From that discussion, best steps forward will be determined.

Most will agree that anything that can be done to temper power rates is needed and appreciated. It seems that Bill 212-36 will deliver favorable financial outcomes.

One of the lessons the current pandemic has taught us is that life is fleeting. It seems that both of these measures will help secure a comfortable, safer, improved power system. As a mom and a daughter, these deliverables provide needed stress relief. As a tax payer, these deliverables are expected and appreciated.

Thank you for the opportunity to share my thoughts. And, thank you for the needed dialogue on these measures. As we know, issues of significance warrant significant discourse. Healthy debate delivers healthy decisions.

Blessed New Year!

  
ALINE A. YAMASHITA, PH.D.



Clynt Ridgell <clyntridgell@guamlegislature.org>

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## Vote No on Bill 213-36

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**Profesot Antoinette CHarfauros McDaniel** <info@sg.actionnetwork.org>

Wed, Jan 19, 2022 at 1:39 PM

Reply-To: [REDACTED]  
To: clyntridgell@guamlegislature.org

Senator Clynton Ridgell,

Dear Honorable Senators,

I am writing to record my strenuous objection to the passage of Bill 213:36 currently under review by the Guam Legislature. I write as a retired sociologist who has lectured for decades in Turtle Island about environmental racism and the intersecting impacts of racism, classism, patriarchy, and poverty upon indigenous, Black, and Latinx students in educational settings. In this instance, I am proud to share my voice as a CHamoru yan Hagan Fu'una who cares deeply about the well-being of the middle students currently attending Jose Rios Middle School in the village of Piti.

Although I currently reside on the lands of the Kaskasia and Eerie peoples, in what is more widely known as Cleveland, Ohio, my four siblings and I all began our formal education in the village of Barrigada. I have fond memories of walking from my grandparents' home to school to San Vicente Elementary school in the mid-1960s. My parents, i difunto Jesus Q. CHarfauros yan Victoria Blas CHarfauros, who eventually built a home directly across from San Vicente, raised their five children to value education. As an educator, it is something I clearly took heart after spending all of my adult life in academe.

As you prepare to vote on this legislation, I am certain that each of you equally prizes educational opportunities for your own famagu'on yan todü i manhoben giya i tano'-ta. As elected officials, you also know firsthand that it's difficult enough to ensure that schools are fully funded, year in year out. Such funding is critical to ensure that hardworking teachers, administrators, and staff are supported in ways that make their vocation as educators possible, if not joyful.

You must also know, however, that it's not enough to provide funding for books, educational technology, and so forth. Just as importantly, students, educators and staff simply must be provided a safe place in which to teach and to learn. As elected officials, you must never allow unnecessary harm to be any part of the educational experience of our precious children, which brings me to Bill 213:36.

I stand with those who strenuously oppose this bill. As many have noted: the energy transition needed in the years to come provides the opportunity of creating good jobs working on safe, renewable infrastructure. This transition will also provide a key opportunity for energy to be locally generated, owned, and controlled. Moving away from a centralized, corporate-controlled grid poses the chance to actually increase the resiliency of delivering and accessing electricity, and making sure every home has consistent power.

**Don't allow another toxic facility to hold power over people while poisoning children. Please do not let this pass.**



I ask instead that you take this moment to find the courage to choose people, choose health, choose community, choose a livable future.

Please send me information to participate in the Virtual Public Hearing on Thursday Jan 20, 2022 at 9am.

Senseramente,

Profesót Antoinette CHarfauros McDaniel  
Familián Capili, Chunge', Deru, yan Kotla

Profesot Antoinette CHarfauros McDaniel

[REDACTED]  
[REDACTED]  
[REDACTED]



Clynt Ridgell <clyntridgell@guamlegislature.org>

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## Vote No on Bill 213-36

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**Clarissa White** <info@sq.actionnetwork.org>

Mon, Jan 17, 2022 at 1:58 PM

Reply-To: [REDACTED]  
To: clyntridgell@guamlegislature.org

Senator Clynton Ridgell,

Håfa adai,

I'm writing to urge you to vote NO on Bill 213-36, which will harm children and Guam's residents. We need renewable energy that doesn't leave toxic impacts on vulnerable community members in Guam. The energy transition we need in the years to come provides the opportunity of creating jobs, working on renewable infrastructure, and the chance for energy to be generated, owned, and controlled locally. Moving away from a corporate-controlled grid gives us the chance to ensure every home has consistent power.

Please don't let another toxic facility hold power over people while poisoning children. Do not let Bill 213-36 pass.

I ask instead that you choose to empower our community and choose health and a livable future for our children. While job opportunities are abundant with the power plant, we must prioritize our children and Guam's residents with job opportunities in other sectors, such as renewable energy. The future health of Guam and its residents depends on you.

Kon respetu,  
Si Claire Taijeron White

Clarissa White

[REDACTED]  
[REDACTED]  
[REDACTED]

January 18, 2022

The Honorable Senator Clynton E. Ridgell  
Chairman, Committee on Economic Development,  
Agriculture, Power and Energy Utilities and the Arts  
Senator, 36<sup>th</sup> Guam Legislature  
Ste. 906  
238 Archbishop Flores St.  
Hagatna, Guam 96910

Dear Senator Ridgell,

HafaAdai, Mr. Chairman! My name is Corazon Montellano, and I am the former Assistant Chief Financial Officer for the Guam Power Authority. I retired from public service two years ago, but my heart remains with GPA and their mission to provide reliable power at the lowest cost possible. In my capacity as the ACFO, I was very involved in all the revenue bond issuances and refinancing since the 1992 Revenue bond and several refinancing thereafter. The past bond refinancing resulted in net present value savings and were passed on to all the consumers. Hence, GPA avoided rate increases or at least mitigated huge rate impact to its ratepayers.

GPA has a Master Plan that will help reduce energy costs which will lead to lower power bills for the ratepayers; retire the half-century old Cabras power plants and replace them with a new, more efficient, cleaner-emitting power plant in Ukudu and a power reserve plant in Piti; and bond refinancing will result in savings which will also help to decrease cost for consumers. Legislative Bills 212 (COR) and 213 (COR) will help bring about important components of their Master Plan.

I am appealing to you for your consideration to vote yes on these bills, not only with the perspective of my former position with GPA, but as a consumer and ratepayer. Our families in Guam can use lower utility costs, our island will certainly benefit from cleaner emissions entering our environment, and we all deserve greater power reliability.

Thank you, Senator Ridgell and God bless you for all the work you do for the people of Guam!

Sincerely,

Corazon Montellano  
Ratepayer



# GUAM POWER AUTHORITY

ATURIDÂT ILEKTRESEDÂT GUÅHAN  
P.O.BOX 2977 • HAGÂTNÂ, GUAM U.S.A. 96932-2977

January 20, 2022

Honorable Clynton E. Ridgell

Chairman

Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts

*I Mina' Trentai Sais Na Liheslaturan Guåhan*

238 Archbishop Flores St., Ste. 906

Hagåtña, Guam 96910

Re: Bill 213-36 (COR)

AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE  
ANNOTATED, ESTABLISHING AN EXEMPTION FOR CONSTRUCTION OF NEW 41MW  
CABRAS DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR  
RESERVATION

Dear Senator Ridgell:

*Buenas yan hâfa adai.* Bill 213-36 (COR), *AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR CONSTRUCTION OF NEW 41MW CABRAS DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION*, was introduced by Sen. San Agustin on October 12, 2021. The Guam Power Authority (GPA) is in support of this legislation.

If passed, Bill 213-36 will allow GPA to proceed with critical energy projects that will substantially improve air quality, lower rates, and increase power service reliability – all positively impacting our island come but especially all who live and/or work within the Piti community. Through several meetings, GPA engaged in discussions with the Piti Municipal Planning Council and residents of Piti, the Port Authority of Guam management, the leadership team of Jose Rios Middle School and its PTO, and with local media partners. We have carefully considered the comments and suggestions raised at these meetings, which have improved and strengthened our clean energy plan.

### Ukudu Power Plant & Reserve Units

The contract for the Ukudu power plant includes reserve generators that may be used during system maintenance of the permanent units or as otherwise required by GPA. These reserve generators, totaling 41 MW, are planned for installation near GPA's existing fuel tank farm between the entrances to the Port Authority of Guam and Polaris Point. The proximity of major transmission lines, existing fuel infrastructure, and other factors conclude that Lots 261 & 257 are the best and most feasible location for these reserve units. The location, however, is within 1,000 feet from Jose Rios Middle School, which indicates potential conflict with P.L. 22-23.

The proposed lots to site these reserve units are located within an area originally designated for power generation and related uses. In fact, the Department of Land Management opined that the subject lots in Cabras were transferred to GPA by the U.S. Navy as unzoned federal property specifically for power plant use by GPA. The principal financial lenders of Guam Ukudu Power, LLC, who is contracted to build and operate the new Ukudu power plant and related components including reserve power units, are concerned about the conflict of Public Law 22-23 has with the specified, permitted activities upon the Cabras lots. GPA is required to remedy the conflict, which brings us to the issue at hand.

#### Public Law 22-23

P.L. 22-23 restricts the construction of power generation facilities, with capacity in excess of one (1) megawatt and utilizing fossil fuels within 1,500 feet of a school. Testimony in support of P.L. 22-23, passed in 1993, cited the poor air quality surrounding Harmon Loop Elementary, now known as Juan M. Guerrero Elementary School, attributed to the Macheche power plant operations. The Macheche plant's stack height was subsequently raised from 45 feet to the existing 150 feet, immediately mitigating the impact to the area community. Additionally, the sulfur content of the fuel oil reduced from 0.6% (original) to 0.0015% (current) at Macheche and other diesel plants, considerably improving air quality and reducing overall emissions. The Macheche power plant operates today, generally unnoticed by the Juan M. Guerrero Elementary School community, and numerous patrons of the Dededo Sports Complex.

#### Impact to Jose Rios Middle School Community

The subject lots are between 1,000 – 1,500 feet of Jose Rios Middle School, as are the existing baseload plants – Piti Units #8 and #9. Under current operations, Units 8 and 9 generate over 644,000 megawatt hours annually burning high and low sulfur residual fuel oil (RFO) containing up to 2% sulfur content. The school's potential impact from power plant emissions occurred less than 3% of plant operations over the past five (5) years, usually when trade winds blow inland.

#### Improved Air Quality

Several projects are underway to convert existing baseload units Piti 8 & 9, to ultra-low sulfur diesel – the same fuel that Macheche and other non-baseload plants use today, and fuel which the 41 MW back-up generators will use. The siting of the 41MW reserve units and related power plant activities will impact the Piti school community and village. The *positive* impact will be realized in six (6) short months when Units 8 and 9 start utilizing ultra-low sulfur diesel with a sulfur content of 0.0015%. This is the same diesel available at your neighborhood gas stations that powers trucks and school buses and all other power plants, except for Cabras 1 & 2. Although Cabras 1 & 2 are slated for permanent retirement shortly after the commissioning of the new Ukudu power plant, it will transition from heavy oil at 2% sulfur to cleaner oil at 0.2% sulfur content at the end of this year - 2022. By 2025, the current baseload plants will have either retired or transitioned to reserve units. By 2025, the sulfur dioxide (SO<sub>2</sub>) emissions will be 0.05% of the 2019 rate, exceeding the National Ambient Air Quality standards. The air will be 1,894 times cleaner than today. The Cabras air quality will be improved by 99.6% - a substantial transformation after 50 years of burning cheap but high sulfur content fuel.

#### Clean, Reliable, Resilient, Affordable Energy

GPA is making significant progress to ensure clean, reliable, affordable, resilient energy for Guam. Transitioning to cleaner, greener, and renewable energy requires confidence that the non-traditional energy sources can provide energy security, self-sufficiency, and system stability. Long-term planning is critical to ensuring that Guam's energy infrastructure has the capacity, flexibility, resilience, and capacity to adapt and deliver. By 2025, the new Ukudu power plant will provide the island's primary baseload energy, reducing the Guam's annual fossil fuel import by 49 million gallons. The existing

conventional baseload power plants will be retired or placed on reserve status and will operate on cleaner fuel. Concurrently, utility-scale renewable energy farms and energy storage battery systems will be commissioned, generating over 38% of the island's power by 2026. Guam ratepayers will save approximately 25% in current energy costs to receive cleaner, more resilient and reliable energy.

The main Ukudu power plant will be constructed in Dededo and will have the capacity to generate over 198 MW. This new, most efficient plant will provide Guam's primary baseload energy, in addition to the 165+ MW current and pending utility-scale and roof-top solar PV systems. The 41MW units are a component of the new power plant and serve as back-up or reserve generation capacity. The Ukudu plant is the cornerstone to achieve and ensure the island's energy security.

#### Compliance with Local Laws & Federal Consent Decree

The Ukudu plant project, which includes the 41MW reserve units proposed to be sited in the Cabras area, is a key component of the negotiated Consent Decree between GPA, US EPA and US Department of Justice. Transitioning to clean fuel, adding additional utility-scale renewable plants, and energy battery storage systems are also critical components of the Consent Decree and advance the island's energy security.

By 2024, 25% of the energy delivered to your homes, schools, businesses and community centers will come from renewable sources. This will be, in large part, from the large utility-scale PV plants coming online beginning this year and throughout the next few years. Over 180MW renewable energy will be added to the current 25MW utility-scale PV farm and 25MW – 28 MW customer rooftop sources.

Transitioning to clean fuel present unique infrastructure, supply and logistical challenges. The solution includes concurrently using up to five (5) different fuel types over the next few years. By late 2024, all power plants including baseload and reserve units, will utilize ultra-low sulfur (0.0015%) fuel, reducing emissions by 1,859 times, providing us over 99% improved air quality.

While cleaner fuel is more expensive, the generation units of the new power plant are extremely efficient and are able to produce more energy with less fuel. Lower fuel requirements coupled with affordable utility-scale renewable energy and battery storage will result lower fuel costs and ultimately lower power bills. The 2022 Integrated Resource Plan, currently before the CCU for approval, recommends adding approximately 400MW of solar renewables by 2030, thus achieving our 50% renewable energy goal five (5) years earlier than the mandated deadline of 2035. However, as identified by the Plan, the Ukudu power plant and its reserve unit is critical to achieving this goal.

#### Consent Decree Compliance

We cannot achieve clean, reliable affordable power and comply with the Consent Decree by utilizing existing power plants that were commissioned in the 1970s. Those plants have served the island well over the past 47 years. The plants are no longer capable of keeping up with intermittency of modern, renewable power generation or meet today's environmental and efficiency standards.

The path to clean, reliable, resilient, affordable energy has been paved. The planning for a new power plant began over a decade ago. We must stay the course and keep moving forward. Further delays jeopardize compliance with the Consent Decree, as well as availability of sufficient power generation for Guam. Our current nameplate power generation capacity is 420MW. However, the derated capacity is about 358MW with a current peak demand of 257MW, leaving our current reserve at 101MW. This is not technical jibberish. These figures show the vulnerability of our power generation capacity. In plain

language, if we do nothing, if we fail to commission the new power plant, Guam may not have sufficient energy to meet the demand. We continue to progress forward to avoid possible federal court receivership, rotating blackouts, higher rates, and disinterested investors.

The express authorization to construct and operate reserve generators on the Cabras lots will remedy a small, but critical component and move us toward achieving energy security. Your Guam Power Authority needs your help. We cannot do this alone. Put fãbot ayuda-ham para I minaolek todù giya Guam.

Si Yu'os ma'ãse' for your consideration.

Senseramente,

A handwritten signature in black ink, appearing to read 'John M. Benavente', with a stylized flourish at the end.

John M. Benavente, P.E.  
General Manager

cc: Hon. Joe S. San Agustin  
attachment: Bill 212-36 Presentation, GPA

# Bill 213-36 (COR)

Prepared for  
**Legislative Public Hearing**  
Committee on Economic Development, Agriculture,  
Power and Energy Utilities, and the Arts  
Senator Clynton Ridgell, Chairperson

**January 20, 2022**  
**via Zoom**

**John M. Benavente, P.E.**  
**General Manager**  
**Guam Power Authority**



## 213-36 (COR) *Exemption for Reserve Generators*

Introduced by Senator Joe S. San Agustin

- Bill 213-36 will allow GPA to relocate a new reserve clean-fueled generator plant at Piti.
- GPA will retire costlier aging legacy power plants resulting in improved power system reliability and cost savings.
- The new power reserve unit will make our power system more reliable as we add more renewables.
- The Piti/Cabras area air quality will be substantially improved.

STAKEHOLDER  
ENGAGEMENT

Piti Village  
& MPC

November  
16, 2021

Port  
Authority of  
Guam

December  
7, 2021

Jose Rios  
Middle  
School PTO  
& GDOE

December  
9, 2021

Media  
Roundtable

January  
18, 2022

## COMPLY WITH USEPA REGULATIONS

All existing base load plants are non-compliant with USEPA RICE- & EGU-MACT regulations. The Consent Decree negotiations resulted in \$400,000 penalty, new baseload plant (Ukudu), new renewables, low sulfur fuel, thus eliminating hundreds of millions dollars in accrued penalties.

1

## REPLACE AGED CABRAS STEAM PLANTS

The Cabras baseload steam plants, commissioned in 1974, are nearing the end of its useful life and are a source of significant USEPA non-compliance penalties.

2

## MEET LOAD GROWTH

Meeting near-future load growth is challenging but doable. Without new generation capacity however, load shedding would be necessary.

3

## RENEWABLES INTEGRATION

The existing units are unable to operate effectively with intermittent renewables. A new baseload plant is needed in order to achieve higher Renewable Portfolio Standards. Existing renewable energy technology is unable to meet capacity, reliability, affordability requirements.

4

## MIN BID REQUIREMENTS + TECH AVAILABILITY FACTORS

Technology

- Neutral, allowing reciprocating engines and renewable energy proposals

Size

- 180 MW  $\pm$  10% : Levelized bids due to variety of Technologies and Unit Sizes

Location

- Near Harmon substation
- Property purchased by GPA and rezoned for power plant construction and operation

Model

- Independent Power Producer (IPP), Build-Operate-Transfer (BOT) for 25 years plus additional 5-year option (30 years total)

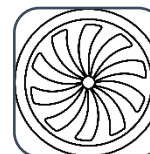
Bid Preparation

- Four (4) months bid development time allowed for selected pre-qualified proponents

## Acceptable, Lowest-Cost Proposal

Guam Ukudu Power, LLC

- ✓ Adequate available capacity
- ✓ Back-up capacity



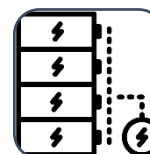
### Combustion Turbines

- 3ea 45MW



### Steam Turbine

- 63MW



### Battery ESS

- 25MW (15MW/30 mins or 7MWH)



### Reserve Units

- 15ea 2.75MW

Siting all at Ukudu requires major source permit, jeopardizing Consent Decree deadlines

At Ukudu

At Cabras

Under minor source permit, meets Consent Decree deadlines





GPA proposes siting the 41MW reserve units (a part of the new Ukudu power plant) adjacent to other existing power generating facilities to allow the main Ukudu power generators to operate under a minor source air permit, thus meeting the Consent Decree deadlines.

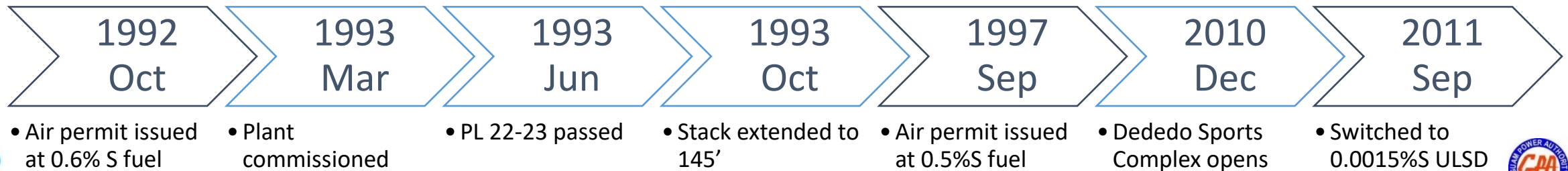
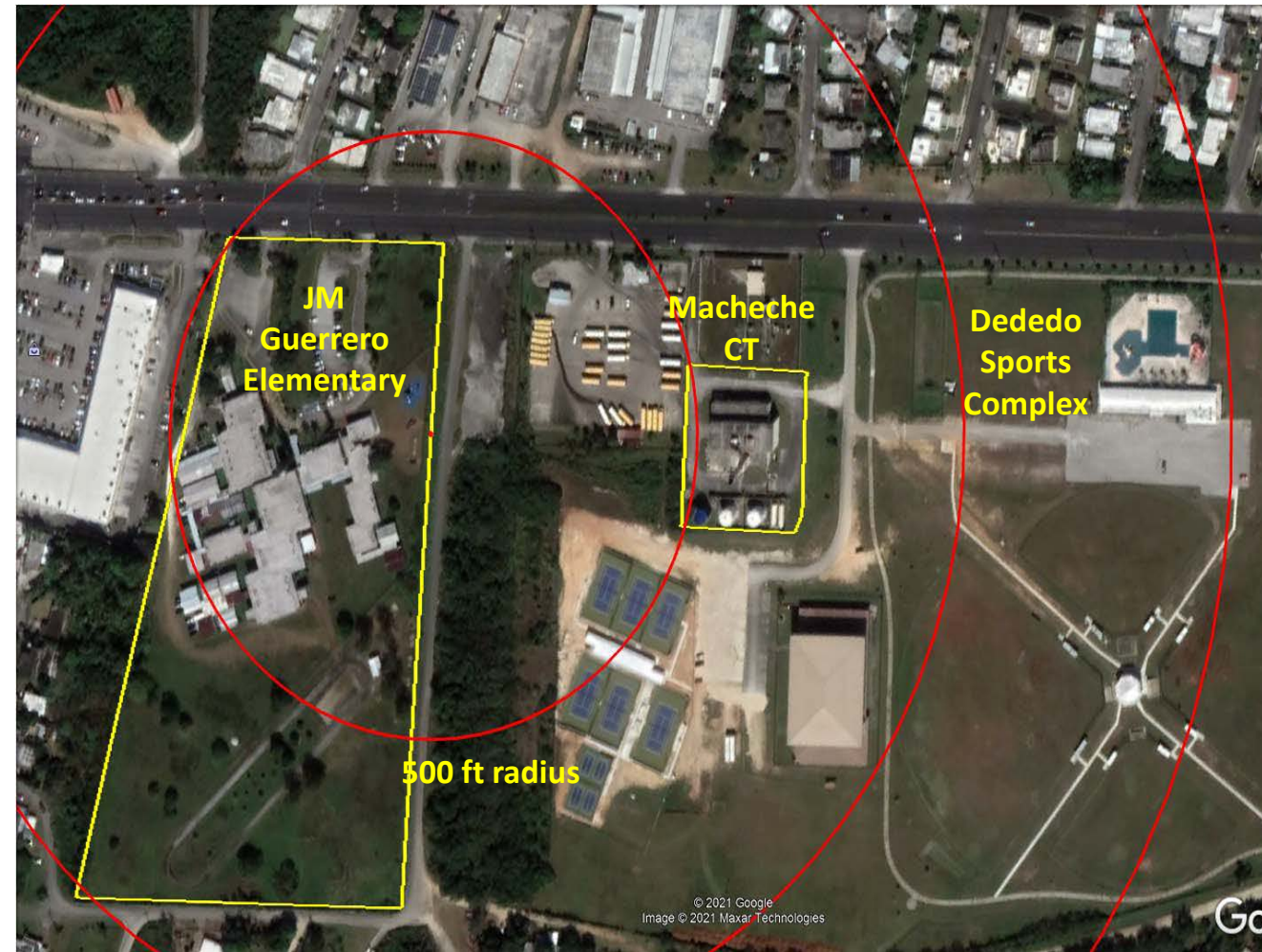
- The availability of existing fuel sources, major transmission lines and other power infrastructure makes this an ideal location for the reserve units.

- Guam Ukudu Power lenders are concerned and may not finance the new power plant project due to a perceived legal issue:
  - Jose Rios Middle School is approximately 1,000 feet from proposed 41MW Reserve Project causing concern about PL 22-23's 1,500-foot restriction
  - Department of Land Management has opined that the Cabras site was transferred to GPA and is unzoned Federal property turned over for power plant use by GPA. However, GUP is concerned that the conflict between special use designation and PL 22-23 may jeopardize the project financing
  - GUP requires GPA to remedy
- GUP lenders require assurance that no cost lease of GPA land to GUP for purpose of construction Ukudu and Cabras Reserve Diesel is authorized by law and is requiring that legislation to address PL 22-23 include specific authorization
- PL 22-23 which restricts construction and operation of any fossil fuel generators over 1MW within 1,500 feet of a school.
- The subject lots are within 1,500 feet of Jose Rios Middle School, as are existing baseload plants Piti 8&9.
  - The school's potential impact from plant emissions occurred less than 3% of plant operations over the past 5 years (2016-2020).
  - The 41MW reserve units will burn ULSD and fuel consumption will be less than 10% of the existing Piti plants' consumption.
  - The plant will be permitted by GEPA and USEPA ensuring compliance with current and future ambient air standards.



# PL 22-23 Promulgated to Address Macheche CT/JM Guerrero Radius

- Macheche CT constructed within 500 feet of JM Guerrero Elementary School in Harmon in 1993.
- Plant initially burned 0.6%S diesel. Complaints were filed. Issue addressed by raising stack. No issues since then.
- Additionally, GPA changed fuel from 0.5%S to 0.0015%S ULSD in 2011, improving the area air quality by 99%.
- Macheche operates regularly to support intermittency and spinning reserve.
- Basis for PL 22-23 limitation of 1,500 feet not found. It appears there is no scientific basis for limitation.
- Macheche is permitted by GEPA and has been operating on clean ULSD for years without any issues.





## Juan M. Guerrero Elementary School

### Macheche Power Plant

- Within 500 feet of JGES
- Within 500 feet of Dededo Sports complex
- Consistent, usual operations
- Uses 0.0015%S ultra-low sulfur diesel (ULSD)

No adverse air quality issues



## Jose Rios Middle School

### Piti Units 8 & 9

- Within 1,500 feet of JRMS
- Consistent, usual operations
- Uses 2.0%S residual fuel oil (RFO)
  - July 2022: to use 0.0015% ULSD

### New Cabras Reserve Units

- Within 1,500 feet of JRMS
- Reserve operations
- Will use ULSD



Photo: Guam Pacific Daily News, July 28, 2021



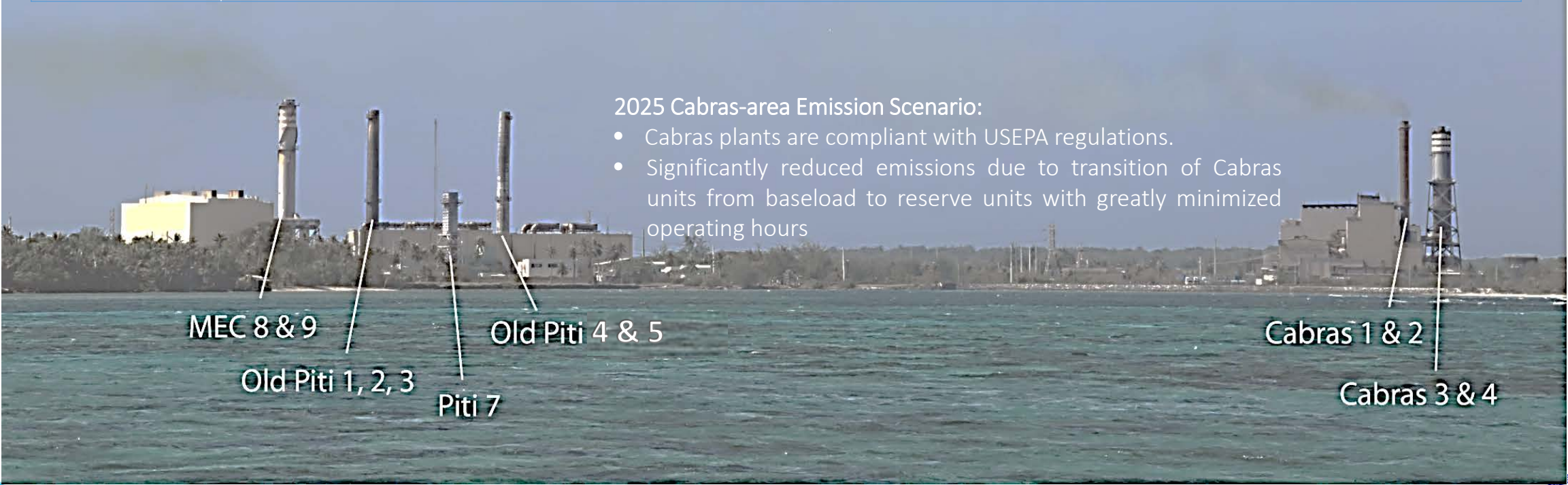
# Cabras 41MW Reserve Units Siting at Cabras

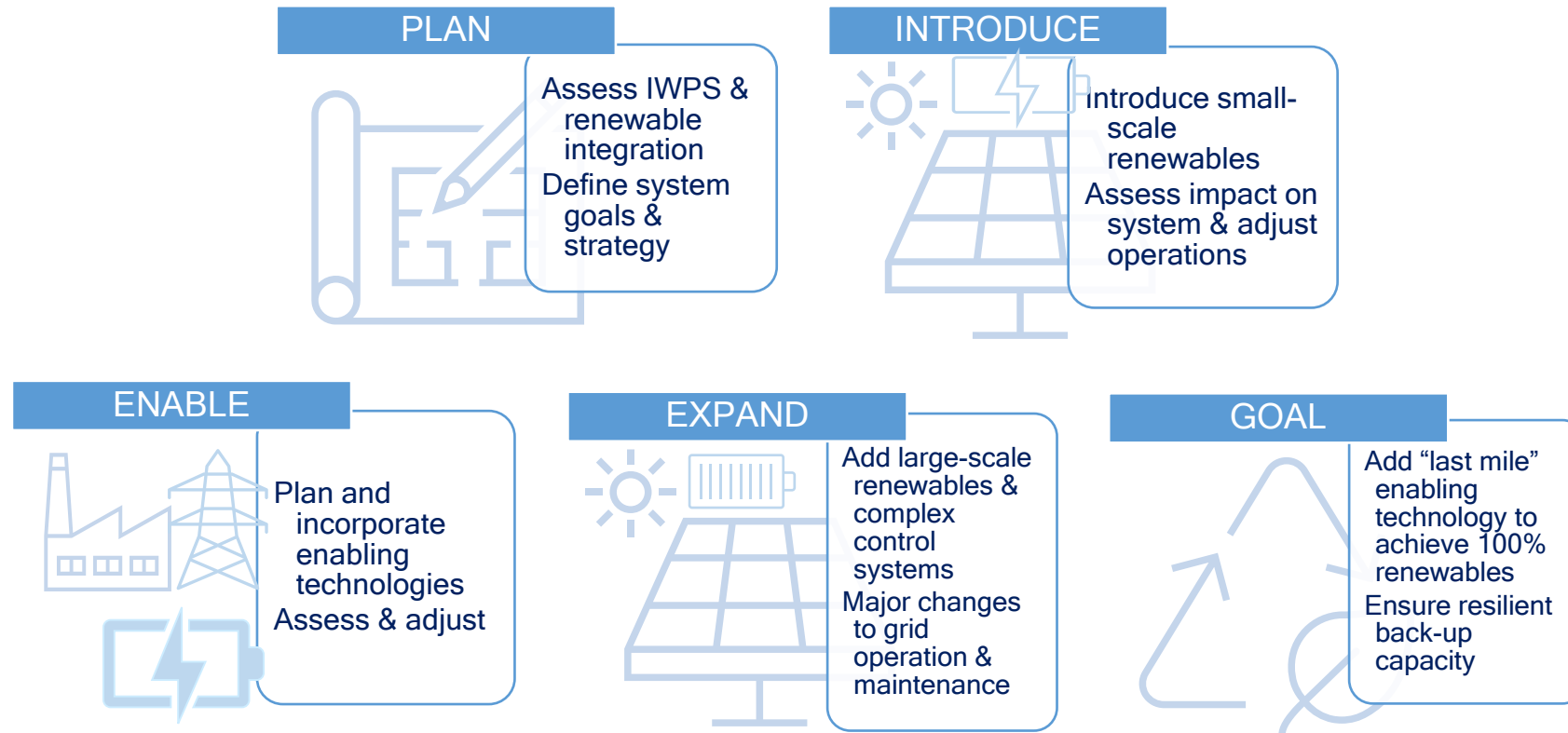
Cabras area properties transferred to GPA from Navy for power generation and related facilities

Scenario	CABRAS 1&2	PITI 8&9	PITI 7	NEW RESERVE UNITS
Current	HSRFO & LSRFO ~1M bbls/yr	HSRFO & LSRFO ~960k bbls/yr	ULSD	-
Consent Decree Compliance	Transition to 0.2% LSRFO by 31-Dec-2022 Retire late 2024	Transition to 0.0015% ULSD by 31-Jul-2022	Compliant	Constructed as Ukudu Plant reserve units, burning clean 0.0015% ULSD
2025	Retired	Reserve Unit ULSD	Reserve Unit ULSD	Reserve Unit ULSD

2025 Cabras-area Emission Scenario:

- Cabras plants are compliant with USEPA regulations.
- Significantly reduced emissions due to transition of Cabras units from baseload to reserve units with greatly minimized operating hours

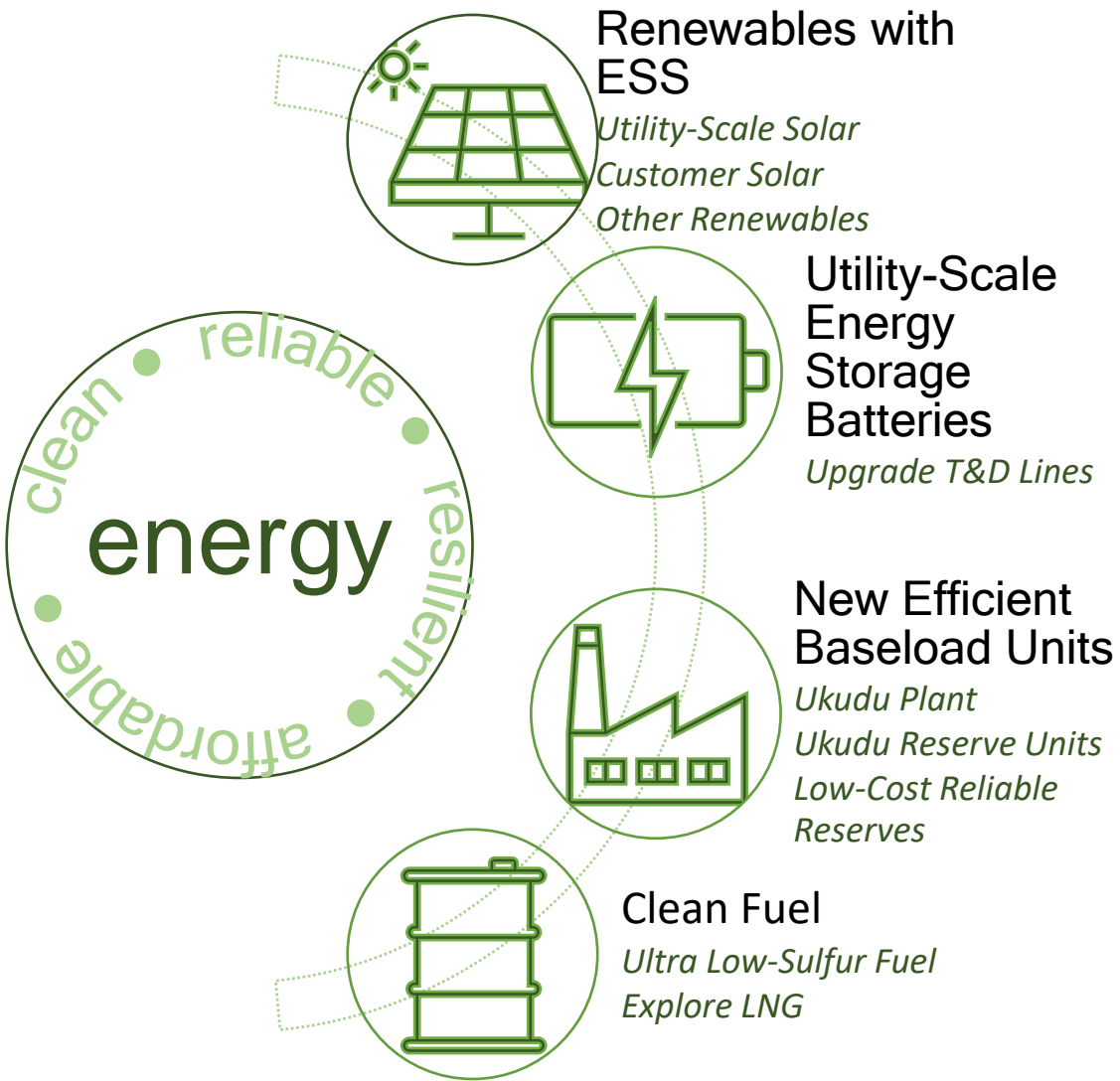




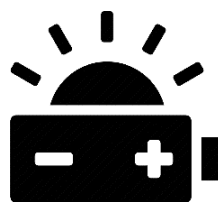
Transitioning to higher penetration of renewable energy the power system requires confidence that the renewables can provide **energy security, self-sufficiency, and system stability.**


Matching renewable technologies with the right enabling technologies at the right time needs **detailed planning.**

**Planning is critical to ensuring Guam's energy infrastructure has the capacity, flexibility, resilience, and capability to adapt and deliver**



## 2025 PROJECTED ACHIEVEMENTS

 **25.30%**  
Renewable Energy Generation

**(49,152,752)** million gallons reduced oil imports 

 **COMPLIANCE**  
Consent Decree  
USEPA Air Quality Standards

**1,859x IMPROVEMENT**  
SO2 emissions  
↓ **1 million**   
gallons reduced wastewater outfall

 **LOWER BILLS**  
Est. \$0.1162 LEAC gives ratepayers sustainable, affordable rates



## The Ukudu plant is the cornerstone

- to achieve more renewable energy
  - ensure resilience and energy security
  - improve reliability
  - comply with the stipulated Consent Decree milestones
- ...to progress forward

We must work to keep the plan on track and deliver to our ratepayers.

## PUC gives final approval to new Dededo power plant

Pacific Daily News  
Steve Limtiaco, Pacific Daily News USA TODAY Network  
Oct 31, 2019



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PUC Chief Administrative Law Judge Frederick Horecky gave a lengthy report to commissioners and recommended the commission approve the deal, stating there would be very serious long-term consequences if it wasn't approved. The PUC must authorize government utility contracts worth \$1 million or more.

Horecky reviewed the contract and said it is adequate to protect GPA and Guam ratepayers. The contract is well-written, with detailed requirements, he said, including a requirement that Korea Electric, during the 21st year of the contract, invest \$15 million in the power plant so it will be in good condition when it is turned over to GPA after the 25th year.

## Solar power on Guam?

Sen. Clynt Ridgell, chairman of the legislative power committee, is opposed to the contract and in October told the commission in written testimony that GPA should instead use more solar power, including micro-grids involving solar panels on tens of thousands of rooftops islandwide.

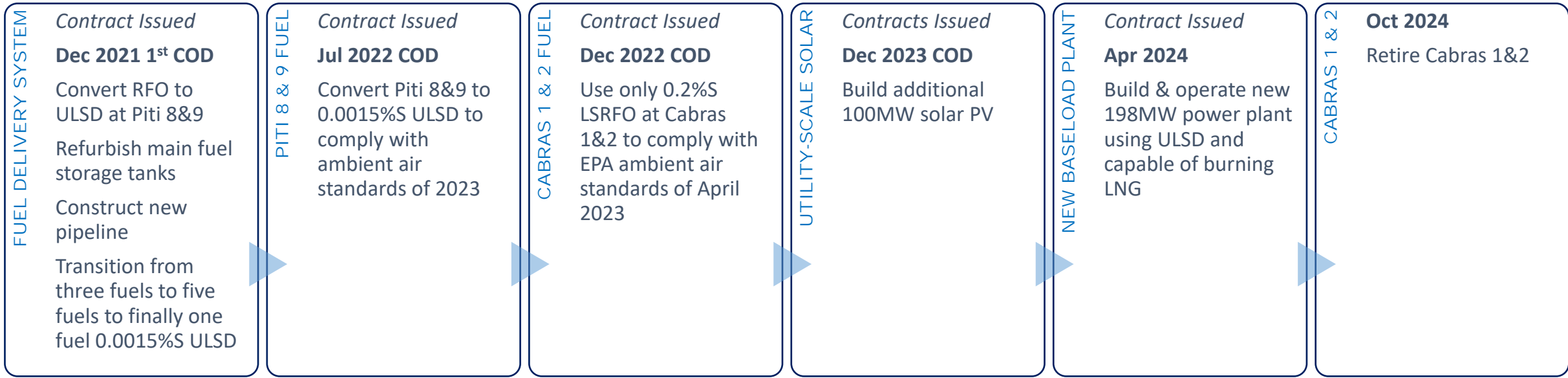
"You can't have a system based on only renewables" because renewable power sources aren't yet reliable enough to supply consistent baseload power, Horecky said.

"There was not a single solar proposal to GPA," because a solar system would be unable to provide the 96 percent reliability required by GPA, Horecky said.

Unjustified delays in achieving the stipulated order subjects GPA & its ratepayers to substantial penalties and jeopardizes GPA's ability to provide adequate energy to Guam



## IN PROGRESS





# Status of Utility-Scale Solar PV Projects



## UTILITY-SCALE SOLAR

*Contracts Issued*

**Dec 2023 COD**

Build additional 100MW  
solar PV

### 60MW + ESS (Sasayan)

- KEPCO Mangilao Solar PV
- Settlement reached with private landowners
- 96% complete. All PV panels have been installed. Pending testing and commissioning.
- ECD April 2022

### 60MW + ESS (Dandan)

- Hanwha
- ECD December 2023

### 40MW “Solar After Dark” (Navy)

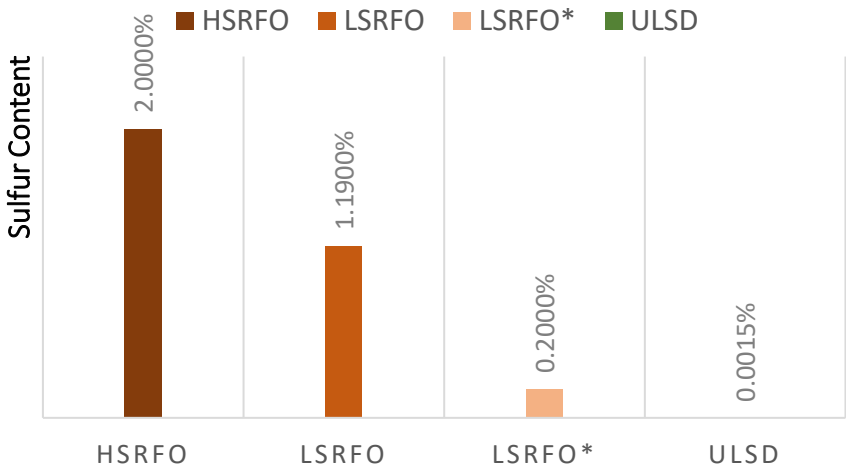
- Engie
- In Superior Court. OPA upheld GPA Award.

# Transition to Clean Fuel Challenge:

Fuel	2022												2023												2024												
BASELOAD	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	
Cabras 1&2	HSRFO (2.0% S)																																				
	LSRFO (1.19% S)																																				
							LSRFO Special (0.2% S)																end														
Piti 8&9	HSRFO (2.0% S)					ULSD (0.0015% S)																															
	LSRFO (1.19% S)					ULSD Special (0.0015% S)																	>>>														
Ukudu						ULSD Special (0.0015% S)																	>>>														
Non-Baseload	ULSD (0.0015% S)																														ULSD Sp >						

- 3 types of fuel are currently used
- 2 additional fuel types with lower sulfur content will be incorporated, resulting in up to 5 different fuels as the heavy oil is phased out
- The transition to cleaner, low-sulfur is underway: tank preparation; plants modification, fuel orders placed
- Lower sulfur oil may be used earlier than indicated

All plants will use a single fuel source beginning October 2024



CLEAN FUEL

Ultra-Low Sulfur Diesel  
Explore LNG

RENEWABLE ENERGY

185MW Utility-Scale (160MW w/batteries)  
26MW Customer

BATTERIES

40+ MW Energy Storage Batteries



# Projected Annual Energy Fuel-Related Costs CY 2023 - CY 2026

LSRFO \$/BBL	\$100	\$100	\$100	\$100
ULSD \$/BBL	\$100	\$100	\$100	\$100
LNG (\$/BBL Equivalent)			\$60	\$75

CALENDAR YEAR		2023			2024		2025		2026	
Fuel Type	LSRFO/ULSD/Solar PV			ULSD/Solar PV		ULSD/Solar PV		ULSD/Solar PV/LNG		
	Net Production	% Production	Annual Cost	Net Production	Annual Cost	Net Production	Annual Cost	Net Production	Annual Cost	
<u>GPA Conventional</u>										
Ukudu New 180 MW				602,900,134	\$71,773,825	1,206,789,331	\$150,093,968	1,297,863,518	\$115,880,671	
Cabras 1&2 0.2% LSRFO	644,466,000	35.8%	\$109,603,061	312,816,000	\$37,240,000	-	-	-	-	
Piti 8&9 ULSD	625,632,000	34.8%	\$96,103,226	312,816,000	\$48,051,613	20,000,000	\$3,072,197	20,000,000	\$3,072,197	
Total Baseload	1,270,098,000		\$205,706,287	1,228,532,134	\$157,065,438	1,280,789,331	\$153,166,165	1,317,863,518	\$118,952,868	
Total Non-Baseload Units	333,463,600	18.5%	\$72,178,268	166,731,800	\$36,089,134	10,000,000	\$1,984,127	30,000,000	\$1,984,127	
<u>GPA Renewables</u>										
GlidePath PV	\$0.215/kWh	54,000,000	\$11,610,000	54,000,000	\$11,610,000	54,000,000	\$11,610,000	54,000,000	\$11,610,000	
Hanwha PV	\$0.079/kWh			141,912,000	\$11,211,048	141,912,000	\$11,423,916	141,912,000	\$11,423,916	
KEPCO PV	\$0.085/kWh	141,912,000	\$12,062,520	141,912,000	\$12,183,145	141,912,000	\$12,303,770	141,912,000	\$12,303,770	
Engie PV	\$0.11/kWh			84,096,000	\$9,250,560	84,096,000	\$9,435,571	84,096,000	\$9,435,571	
Ph IV-A 60 MW	\$0.11/kWh					141,000,000	\$15,510,000	141,000,000	\$15,510,000	
Ph IV-B 60 MW	\$0.12/kWh									
Ph IV-C 120 MW	\$0.12/kWh									
Total GPA Renewables	195,912,000	10.9%	\$23,672,520	421,920,000	\$44,254,753	562,920,000	\$60,283,258	562,920,000	\$60,283,258	
Total Conventional	1,603,561,600		\$277,884,555	1,395,263,934	\$193,154,573	1,290,789,331	\$155,150,292	1,327,863,518	\$120,936,995	
System Production Cost			\$301,557,075		\$237,409,326		\$215,433,549		\$181,220,252	
System \$/kWh			\$0.1676		\$0.1306		\$0.1162		\$0.0958	
Total Net kWh	1,799,473,600			1,817,183,934		1,853,709,331		1,890,783,518		
ULSD @ \$85/BBL							\$0.104			
LNG @ \$65/BBL										\$0.088

25% Energy from Renewable Sources by 2024; 38% by 2026



# HOW WILL THE ACCOMPLISHMENTS OF THIS PLAN BENEFIT GUAM & THE RATEPAYERS?

	1970	1980	1990	2000	2010	2020	
AGE TODAY	47 yrs		22-28 yrs		6-7 yrs	1+ yrs	
BASELOAD	Cabras 1 66MW '75	Cabras 2 66MW '75	Piti 8 44MW '99	Piti 9 44MW '99		Ukudu CC 198MW '24	
INTERMEDIATE			Macheche CT 20MW '93	Yigo CT 20MW '93			
			Dededo CT 40MW '93	Piti 7 20MW '97	Yigo Diesels 40MW '16		
PEAKING			Tenjo 24MW '93	Talofofo 8MW '93			
			Pulantat 8MW '93				
RENEWABLE					Dandan PV 25MW '15	Cotal Wind 0.3MW '16	Mangilao PV 60MW '22
							Dandan II PV 60MW '24
							Engie + ESS 40MW '22
ESS							Agana ESS 24MW '21
							Talofofo ESS 16MW '21
2035 RETIRED			36-42 yrs		19-20 yrs	14+ yrs	
2045 RETIRED			RETIRED		29-30 yrs	24+ yrs	

# Sustainable Path to Achieve Reliable Power, Clean Environment & Low Energy Costs 17

CALENDAR YEAR	2019	2022	2023	2024	2025	
<b>GPA Conventional Units</b>	kWh Production	Bbls Fuel	Bbls Fuel	Bbls Fuel	Bbls Fuel	
Cabras 1&2 – 2% HSRFO	644,466,000	1,136,624	1,136,624			
<i>Cabras 1&amp;2 – 0.2% LSRFO</i>				1,136,624	551,704	<i>As of Jan 2023</i>
Piti 8&9 – RFO	625,632,000	836,854	418,427			
<i>Piti 8&amp;9 – ULSD</i>			480,516	961,032	480,516	30,722 <i>As of Jul 2022</i>
<b>Ukudu 198MW Combined Cycle</b>				<b>717,738</b>	<b>1,500,940</b>	<i>Only baseload plant in CY2025</i>
Ukudu 41MW Diesel Reserve					9,524	<i>Very limited production (reserve)</i>
<b>Total Baseload</b>	<b>1,270,098,000</b>	<b>1,973,478</b>	<b>2,035,567</b>	<b>2,097,657</b>	<b>1,032,220</b>	
<b>Total Non-Baseload (ULSD)</b>	<b>333,463,600</b>	<b>756,153</b>	<b>543,001</b>	<b>436,425</b>	<b>116,698</b>	<b>11,338</b> <i>Production Offset by Renewables</i>
<b>Total System Conventional</b>	<b>1,603,561,600</b>	<b>2,729,632</b>	<b>2,578,568</b>	<b>2,534,082</b>	<b>1,148,917</b>	
<b>GPA Solar PV + ESS</b>	kWh Production					
*GlidePath PV 25MW	54,000,000		54,000,000	54,000,000	54,000,000	
KEPCO Mangilao PV 60MW			94,000,000	141,000,000	141,000,000	
Hanwha PV 60MW					141,000,000	
Engie PV w/ESS 40MW						84,096,000
<b>Total Solar PV</b>	<b>54,000,000</b>		<b>148,000,000</b>	<b>195,000,000</b>	<b>336,000,000</b>	<b>420,096,000</b>
<b>Total kWh Production</b>	<b>1,657,561,600</b>					
<b>% Renewables</b>	<b>3.3%</b>		<b>8.9%</b>	<b>11.8%</b>	<b>20.3%</b>	<b>25.3%</b>
<i>*no ESS</i>						
<b>Total Fuel Consumption (Bbls)</b>		<b>2,729,632</b>	<b>2,578,568</b>	<b>2,534,082</b>	<b>1,866,656</b>	<b>1,552,523</b>
<b>Annual SO2 Emissions (tons)</b>		<b>13,016</b>	<b>10,259</b>	<b>756</b>	<b>370</b>	<b>7</b>
<b>Emission Multifold Improvement</b>			<b>0.3</b>	<b>17</b>	<b>35</b>	<b>1,859</b>
<b>Projected Fuel at \$100/bbl. (\$/kWh)</b>	<b>CY2025 Projection</b>			<b>\$0.1676</b>	<b>\$0.1306</b>	<b>\$0.1162</b>
<b>Projected Fuel at \$85/bbl. (\$/kWh)</b>						<b>\$0.1040</b>
Renewable Energy Generation				<b>25.30%</b>		
Annual Fuel Consumption (Bbls)				<b>- 1,177,108</b>		
Emissions Multifold Improvement				<b>1,859 x</b>		
Reduced, Affordable Fuel Cost				<b>\$0.1162</b>		



# WHAT WOULD HAPPEN IF WE ARE UNSUCCESSFUL IN ACHIEVING OUR 2025 GOAL?

<u>Plant</u>	Nameplate MW	CY 2022 Derated MW Capacity	CY 2025 with Ukudu
Cabras 1	66	50	-
Cabras 2	66	50	-
Piti 8	44	42	42
Piti 9	44	42	42
Piti 7	40	33	33
Macheche CT	20	20	20
Yigo CT	20	20	20
Dededo CT1	20	20	20
Dededo CT2	20	20	20
Yigo Diesels	40	33	35
Tenjo Diesels	24	12	0
Talofofo Diesels	8	8	8
Pulantat Diesels	8	8	8
<b>Ukudu Combined Cycle</b>			<b>198</b>
Ukudu Reserve Diesels			41
<b>TOTAL</b>	<b>420</b>	<b>358</b>	<b>487</b>
<b>CY 2021 Peak MW Demand:</b>		<b>257</b>	<b>278</b>
Current Reserve		101	209
<b>MINIMUM RESERVE REQUIREMENT</b>			
<i>Largest Baseload on Overhaul</i>		-50	-63
<b>Reserve Balance (subtotal):</b>		<b>51</b>	<b>146</b>
<i>2nd Largest Baseload on Forced Outage</i>		-50	-63
<b>Reserve Balance:</b>		<b>1</b>	<b>83</b>

## The New Ukudu Power Plant is Critical:

- ✓ **Comply with USEPA Regulations enforceable by Federal Government and by Federal court under the 2020 Consent Decree.**
- ✓ **To facilitate adding more renewables into the system and achieving 100% renewable energy by 2045.**
  - Plant provides low-cost reserve including during natural disasters and rainy days
- ✓ **To meet load growth including the military buildup and all ancillary civilian loads. Load growth is occurring including low-cost housing programs.**
  - If Ukudu plant does not proceed, a moratorium will be placed on future building projects
- ✓ **To retire aged conventional generation which are now 25 to 47 years old. 100% Renewables by 2045 is 23 years away.**

It takes many years to commission a power plant facility:

- Planning for new plant began in 2012.
- PUC approval obtained in 2016.
- Contract signed in 2019.
- Commissioning delayed until 2024.
- Investors not seeing Guam as good investment center

Put fãbot ayuda-ham para I  
minaolek todù giya Guam!



Clynt Ridgell <clyntridgell@guamlegislature.org>

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## Yes on Bill 212-36 and 213-36

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James Moore [REDACTED]

Mon, Dec 27, 2021 at 5:26 PM

To: "customersfirst@gpagwa.com" <customersfirst@gpagwa.com>, "senatormunabarnes@guamlegislature.org" <senatormunabarnes@guamlegislature.org>, "senatortcnelson@guamlegislature.org" <senatortcnelson@guamlegislature.org>, "officeofsenatorshelton@guamlegislature.org" <officeofsenatorshelton@guamlegislature.org>, "office@senatorjoannebrown.com" <office@senatorjoannebrown.com>, "senatorjoessanagustin@gmail.com" <senatorjoessanagustin@gmail.com>, "speaker@guamlegislature.org" <speaker@guamlegislature.org>, "clyntridgell@guamlegislature.org" <clyntridgell@guamlegislature.org>, "senatorpedo@senatorjpterlaje.com" <senatorpedo@senatorjpterlaje.com>, "office@senatorperez.org" <office@senatorperez.org>, "office@senatorfrankblas.com" <office@senatorfrankblas.com>, "senatorvanthonyada@gmail.com" <senatorvanthonyada@gmail.com>, "senatortelot@gmail.com" <senatortelot@gmail.com>, "officeofsenatormoylan@guamlegislature.org" <officeofsenatormoylan@guamlegislature.org>, "senatormary@guamlegislature.org" <senatormary@guamlegislature.org>, "senatorchrisduenas@gmail.com" <senatorchrisduenas@gmail.com>

I Support GPA!

I ask that you support the efforts of GPA to lower our power bills. Many of the future improvements I probably will not live long enough to see, but I want my grandkids to live on a clean air island, without having to struggle with making utility payments. We have to look to the future beyond what we may see. I therefore support every effort that GPA makes to improve service and efficiency. The improvements to our system when compared to the 60's-80's are massive and I support support continued efforts by the authority to move forward.

Rev. James Moore  
Barrigada

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January 20, 2022

Honorable Senator Clynton Ridgell  
Honorable Speaker Terlaje,  
Honorable Senators

Buenas yan Hafa Adai, I am Judith Won Pat, former Speaker, Educator and a rate payer. Thank you for the opportunity to give testimony on Bills 212 and 213. Upon reading the bills, I had a few questions, concerns and needed clarifications. I didn't have the privilege to participate in any community discussion about the intent, obligations, studies, benefits etc. I reached out to several people in the know who could answer my questions. I want to personally thank Simon Sanchez for taking my call and answered pretty much all of my questions.

I read the bills and naturally as a former legislator, I had questions. I was asked to not be too critical and only look at it from the perspective of a rate payer and how it will provide lower rates, reliable and stable power service. And to a degree, I understand that.

However, here are some of my concerns:

Bill 212 is straight forward authorizing GPA to refund revenue bonds at a lower rate which will ultimately lower the power rates BUT not until 2024/2025. Under Section 2, Subsection (c) states that "the final maturity of the refunding bonds SHALL NOT exceed the final maturity of the latest maturing then outstanding revenue bonds." That sounded good but it further stated, "For clarity, the final maturity of the refunding bonds MAY EXCEED the maturity of an individual series of prior bonds so long as the final maturity of all then outstanding revenue bonds is not exceeded." Please explain, because I thought that the 2012 Series is being refunded. Are there other series?

Lastly on Bill 212, it is my hope that the maturity date of the refund will not be extended for another 30 years, otherwise, this will be on the backs of our children and grandchildren.

On the matter of Bill 213, it will allow for an exemption to construct a power plant because it will be within the 1200 feet radius of Rios Middle School. P.L. 22-23 mandates that power plants cannot be constructed within 1500 feet radius of a school. It makes sense to request for an exemption. My concern is the long-term effects of any power plant in close proximity of a school exposing the children and the community. Although, GEPA had permitted a power plant at 500 ft radius of J.M. Guerrero Elementary School, burning an ultra-low sulfur diesel is "without any issue" according to GPA. My question, where is the document from GEPA or USEPA stating so? Has there been a longitudinal study done or even look to other places of comparable

situation? Will the legislature consider an amendment to that effect to monitor emissions?

In conclusion, I would also like to state that I am a proponent of solar energy. I agree with Senator Ridgell that I would like to see every roof top inclusive of schools with solar panels.

With global warming and sea level rising, future planning is critical because our power plants are all on the coast. I leave you this to ponder and imagine what the future generation will have to deal with. Any level of diesel burning is harmful to both people and the environment.

Thank you again for this opportunity.

# KENNETH P. CHARGUALAF



The Honorable Speaker Therese Terlaje  
The Honorable Clynt Ridgell, Chair Power & Energy Utilities  
The Honorable Members 36<sup>th</sup> Guam Legislature  
Guam Congress Building  
163 Chalan Santo Papa  
Juan Pablo Dos,  
Hagatna, Guam 96910

Ref: Testimony on Bills 212 -36 (COR) & 213-36 (COR)

Dear Speaker, Chairman Ridgell, and Members of the 36<sup>th</sup> Guam Legislature,

***Buenas yan Hafa Adai!*** Thank you for allowing me to present both oral and written testimonies in full support of Bills 212 and 213. My name is Kenneth P. Chargualaf from the historic village of Inalahan and currently a resident of the village of Yona.

As we all know, the passage of Bill 212 will give us the ratepayers substantial savings of approximately \$15 million beginning 2024 through 2030 and improved power services in the immediate future. In other words, we, the ratepayers, will see substantially lower power bills than today's rates.

Additionally, the passage of Bill 213 will allow GPA to substantially provide reliable, resilient, clean energy at an affordable cost, lower power rates, and meet current and future energy growth needs. This Bill is urgently needed to complete the Ukudu plant by April 2024 to comply with the federal consent decree.

I am grateful for the visionary leadership of the Consolidated Commission on Utilities and the Guam Power Authority leadership and its team of professionals in their commitment to replacing the aging, antiquated, unreliable power campus with the new technology power system to an improved Piti and Ukudu power plant.

It will become the primary power baseload source for the island. The island's power system will be more efficient, reliable, affordable, cleaner, and comply with USEPA and the U.S. Department of Justice Consent Decree Agreement with GPA.

Any delays in meeting the stipulated order will result in hundreds of millions in potential penalties. GovGuam nor our island community can be further burdened with this foreseeable matter.

Moreover, let us be mindful of our geographic distance, noting that we cannot tap onto other energy grids. We are it!

Honorable senators, I am counting on your wisdom to guide us from any immediate or future cataclysmic events such as load shedding or islandwide power outages.

In closing, as ratepayers, I respectfully request your serious consideration to support Bills 212 & 213 after your careful and thoughtful review of the endless benefits of these two proposed pieces of legislation. Indeed, I am very excited to see the fruition of the new power system technology. It's a huge win for the people of Guam.

Thank you for your time, and I look forward to seeing the passage of these Bills.

**Respectfully,**

**/S/**

**Kenneth P. Chargualaf**



Erin M. Grajek <egrajek@guamlegislature.org>

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## Bill No. 213-36 (COR)

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Kyle Dahilig <kdahilig8@gmail.com>

Wed, Jan 19, 2022 at 3:24 PM

To: "Erin M. Grajek" <egrajek@guamlegislature.org>

Håfa adai Erin,

I would like to reshare PL 22-23 testimonies that were delivered when the original law was passed as part of my written testimony. These testimonies were relevant in 1993 and reverberate today. We need to move forward and away from harmful fossil fuels and honor the wishes that our people continue to cry out for today. We want our decision makers to reject bill 212 and 213 and enact the solutions from last term, to allow learning institutions to enter into renewable energy agreements. Guam does not deserve to continue to be victims of the fossil fuel industry.

Si Yu'os ma'åse',

**Kyle Dahilig**

Guam Youth Climate Strike

[Quoted text hidden]



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**P.L. 22-23 Written Testimonies.pdf**  
690K



## TESTIMONY ON THE GPA GENERATOR NEAR HARMON LOOP ELEMENTARY SCHOOL

THANK YOU FOR GIVING US THE OPPORTUNITY TO PRESENT OUR CONCERNS ABOUT THE GENERATOR PLACED NEAR HARMON LOOP ELEMENTARY SCHOOL. I AM THE READING SPECIALIST AT THE SCHOOL. GENERALLY, I SPEND MY TIME IN THE OFFICE, THE BOOK ROOM, THE LIBRARY AND THE COMPUTER LAB. THESE ARE ALL AIR CONDITIONED AREAS. UNTIL LAST WEEK I HAD NOT REALIZED HOW BAD THE PROBLEM WAS.

I HAD DECIDED TO TAKE MY STUDENTS ON A WALK. WHEN I REACHED THE KINDERGARTEN CLASSROOM, I WAS APPALLED BY THE DIESEL FUMES THAT COULD ALMOST BE SEEN IN THE AIR. THE SMELL WAS SO POWERFUL THAT IT COULD NOT HAVE BEEN HEALTHY TO BREATHE. NEEDLESS TO SAY, WE DID NOT CONTINUE OUR WALK. THE AIR WAS SO THICK WITH DIESEL THAT IT LEFT A LAYER OF DIRT ON MY FACE. WHEN I TRIED TO WASH IT OFF MY FACE LATER IN THE DAY, IT LEFT MY FACE RAW. NOW, ANYONE WHO HAS TAKEN A GOOD LOOK AT ME LATELY KNOWS I'M NOT THE KIND OF PERSON TO PAMPER MY "DELICATE SKIN". BUT THAT EVENING I BROKE DOWN AND USED SOME LOTION. I LATER LEARNED THAT I WAS PROBABLY A VICTIM OF SULFURIC ACID POISONING WHICH IS FORMED WHEN THE SOOT ON THE SKIN MIXES WITH SWEAT OR MOISTURE.

THE CONDITION OF MY SKIN IS NOT REALLY OF CRUCIAL CONCERN TO YOU, SENATORS, I KNOW. NEITHER IS THE FACT THAT EVERY ONCE IN A WHILE WE ARE BURDENED WITH AN UNPLEASANT SMELL. WHAT SHOULD BE OF GREAT CONCERN TO YOU, THOUGH, AND WHAT IS OF GREATEST CONCERN TO US IN PRESENTING OUR THOUGHTS TO YOU IS THE UNSEEN EFFECT OF THE REPEATED EXPOSURES TO THESE FUMES ON THE STUDENTS. WE MAY NOT BE ABLE TO DOCUMENT SCIENTIFICALLY THE POTENTIAL HEALTH HAZARDS TO THE CHILDREN AND TO THE ADULTS, BUT WE KNOW THAT THAT SAME SULFURIC ACID THAT MADE MY SKIN RAW WAS ALSO EATING AWAY AT THE LUNGS, NASAL PASSAGES, MOUTHS AND THROATS OF ALL THE CHILDREN AND ADULTS IN THIS SCHOOL. WE MAY NOT BE ABLE TO DISPROVE THE RATIONALIZINGS OF THE GPA PERSONNEL WHOSE JOB IT IS TO JUSTIFY WHATEVER POSITION SAVES GPA TIME, TROUBLE AND MONEY, BUT WE KNOW WE HAVE AN UNHEALTHY AND DANGEROUS SITUATION ON OUR HANDS.

I ONLY WISH THIS HEARING COULD HAVE TAKEN PLACE THAT MORNING LAST WEEK WHEN THE PROBLEM WAS THE MOST APPARENT AND PREDICTIVE OF WHAT WE MAY HAVE TO LIVE WITH FOR INCREASINGLY LONGER PERIODS OF TIME IF SOMETHING IS NOT DONE NOW TO TAKE CARE THAT IT IS NOT ALLOWED TO CONTINUE. I WISH YOU HAD BEEN HERE ALL THE OTHER DAYS ALSO WHEN THE HAZE SETTLES ON US.

WE HAVE BEEN HERE, THOUGH, WITH HEADACHES, NAUSEA, DIRTY SKIN, DUST-LADEN FURNITURE, OFFENDED OLFACTORY NERVES, AND SOOT COVERED CARS. IF YOU HAD BEEN HERE YOUR COMMON SENSE WOULD SAY, "REMEDY THIS PROBLEM NOW. IT IS NOT WORTH THE HEALTH OF OUR CHILDREN TO ALLOW IT TO CONTINUE."

CECILIA CHAMPION

Good evening Senator Reyes and members of the committee. My name is Jane Hernandez and I am the Health Counselor at Harmon Loop Elementary School.

During the first week of March, the Macheche generator was turned on, exposing Harmon Loop school to strong fumes and a black dirt which we found settling in the classrooms. I'm sure it settled in our lungs as well. Students and teachers complained of the strong fumes. There were general complaints of headache, nausea, throat irritation, coughing and itchy watery eyes from this irritant. This was verified in a survey of the teachers done on 3/11/93. A copy of the survey was submitted to Ms. Cruz, our administrator and to our OSHA representative.

The 2nd week of March, I saw an increased number of students in my health room and there was also an increased number of absent students.

I understand from Mr. Hara that the generator does meet EPA standards. However, I am concerned that when there is a malfunction, we, at Harmon Loop Elementary School get the ill effects of it. Just last week, strong diesel fumes from the generator passed through our campus.

The health of our students, teachers and staff is at risk. Our school is already trying to deal with the problem of the high radon level. Now we are faced with another health hazard.

On March 9th 1993 I sent a memo to our principal expressing my concern about the situation. A copy of this letter is attached to this written testimony.

*Jane Hernandez RN*  
3-30-93

March 9, 1993

To: Ms. Teresita Cruz, Principal  
From: School Health Counselor  
Subject: Health Hazard

I am quite concerned about 3 DEED teachers who are either ill or not feeling well. Yesterday, March 8th, the fumes from the nearby GPA generator were very strong. Mrs. Sniff went home early with a severe headache and Mrs. Miller was feeling nauseated. Mrs. DelCastillio was also feeling ill. Today, two of those teachers did not report to work and the other wanted to go home early.

The classrooms also have much "black" dirt which has settled on the desks and tables since the generator has been turned on. Our students, teachers, and staff are faced with a very serious health hazard!! The generator seems to be turned on at 2p.m., but we have students and staff here until 6:00p.m.

I am referring this matter to you for your immediate action.

*Jane F.M. Hernandez R.N.*

Jane F.M. Hernandez R.N.  
School Health Counselor

Good evening Senator Reyes and members of this committee.

My name is Teresita T. Cruz and I am the principal of Harmon Loop Elementary School. As principal, I feel the need to come forward to address this body on how the generator at the macheche substation is affecting us here at Harmon LOop. When the generator was being tested or perhaps initially turned on, it was emitting fumes that had the odor of diesel. There were many complains both from the employees and students of having headaches and feeling nauseated. The following day black dust were found on desks and window louvers. We must have breathe<sup>d</sup> in a great deal of pollution within a day. Senator Reyes' public relation officer received a copy of the surveys filled out by teachers and staff on how the generator affected them. The following week there was a higher rate of absent students than ever before. Of course, the flu virus was also pretty prevalent at that time but perhaps, the black dust and fumes contributed to the students illnesses.

This school has a high rate of radon. Therefore we don't need another problem that is hazardous to our health. We are supposed to be preparing students to become future leaders and also functional members in society. If we don't correct this problem now, we won't be having future leaders because we will be sending them to their graves early.

I understand that GPA is trying to correct the problem by raising the smoke stack higher. For awhile we were not smelling the fumes until last week when the generator tripped off and had to be restarted. As it was restarted it sent out diesel odor fumes.



**DEPARTMENT OF LAND MANAGEMENT**  
**(DIPATTAMENTON TANO')**

*Government of Guam*

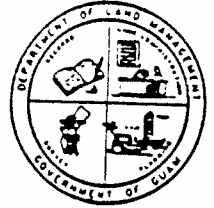
*P.O. Box 2950*

*Agana, Guam 96910*

*Tel: (671) 475-LAND • Fax: (671) 477-0883*

**JOSEPH F. ADA**  
*Governor*

**FRANK F. BLAS**  
*Lieutenant Governor*



**F. L. G. CASTRO**  
*Director*

**JOAQUIN A. ACFAËLE**  
*Deputy Director*

March 30, 1993

The Honorable Edward D. Reyes  
Chairman, Committee on Housing  
and Community Development  
Twenty-Second Guam Legislature  
Agana, Guam 96910

Subject: Legislative Bills 143, 232, and 359 all of  
which pertaining to the need of lands for  
the use of Guam Power Authority

Dear Mr. Chairman:

The Department of Land Management is in full support of  
the concept of providing Guam Power Authority with the lands  
it requires in Umatac, Dededo and Mangilao as are mentioned  
on Bills 143, 232, and 359.

Moreover, that we are more receptive into seeing that the  
said lands be conditionally conveyed to GPA over leasing  
the lands. Note that Bill 359 is talking about a lease  
while the others are addressing conveyance. A conditional  
conveyance will be more sound and we recommend that.

Thank you for allowing us to comment on the said matters.

Sincerely yours,

F. L. G. CASTRO  
Director, Department of  
Land Management



**TESTIMONY ON BILL 232  
BEFORE THE COMMITTEE  
ON HOUSING AND COMMUNITY DEVELOPMENT  
22ND GUAM LEGISLATURE  
THE HONORABLE EDWARD D. REYES, CHAIRMAN**

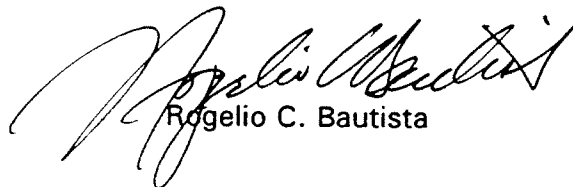
Submitted by  
Rogelio C. Bautista  
Manager  
Guam Housing Corporation  
March 30, 1993

Honorable Chairman and Committee members I am Rogelio C. Bautista, Manager of Guam Housing Corporation here to offer testimony in favor of Bill 232.

As you may be aware GHC, has been given Legislative authorization to develop a master plan for a housing community on Lot 5402 in the Municipality of Mangilao. Upon completion of the master plan, should the Legislature see fit to authorize development of Lot 5402, 1,800 to 2,400 residential housing units will be added to Guam's housing stock. We have discussed this project in some detail with GPA's management who have determined that this project will put a strain on the power system in that area.

We are all recently reminded of the importance of having power generating and distribution capabilities to meet current and future demand and the importance of agencies within the Administration working together with the Legislature to plan for our island's development. We are confident that the new substation proposed for this area will be able to handle the needs of the proposed project and surrounding community.

Mr. Chairman, I appreciate the opportunity to offer comments on Bill 232. I will be happy to answer any questions that you and your committee members may have.



Rogelio C. Bautista



SETBISION MAMPLANEHA  
BUREAU OF PLANNING  
GOVERNMENT OF GUAM  
AGANA, GUAM 96910

MAR 30 1993

Honorable Edward D. Reyes  
Chairman  
Committee on Housing and Community  
Development  
Twenty-Second Guam Legislature  
228 Archbishop Flores St.  
Agana, Guam 96910

Hafa Adai Senator Reyes:


The Bureau of Planning offers the following comments on Bill No. 143:

An Act To Authorize The Governor Of Guam Into Conveying All Title, Rights, and Interests Upon Lot No. "Parcel G", Tract 3321, Umatac, Portion Of Lot No. 5173-1-R2-NEW-R2, Dededo, To The Guam Power Authority.

While the Bureau supports the intent of this bill, we favor leasing the government parcels rather than conveying all rights, titles and interests upon said lots to the Guam Power Authority so that the property will remain in Government ownership should the property be no longer needed by GPA.

Thank you for giving us this opportunity to comment.

Si Yu'os Ma'ase',

  
MICHAEL CRUZ  
Acting Director



Commonwealth Now!

**TESTIMONY FOR BILL NOS. 359, 143 AND 232**

**Guam Power Authority is in full support of the following Bills with modifications. We anticipate favorable passage of these bills and URGE the Honorable Governor to pass into law said bills or if incorporated into Bill No. 359, passage of Bill 359.**

**BILL NO. 359: AN ACT TO AUTHORIZE THE GOVERNOR OF GUAM TO LEASE TO THE GUAM POWER AUTHORITY THE FOLLOWING PUBLIC LANDS: LOT NO. "PARCEL G", TRACT 3321, MUNICIPALITY OF UMATAC, CONTAINING 1,391 SQUARE METERS; LOT NO. 5173-REM-(PART) B, TAMUNING, MUNICIPALITY OF DEDEDO, CONTAINING 1,894+ SQUARE METERS; 4,000 SQUARE METERS OF LOT NO. 7054-5, MUNICIPALITY OF YIGO, WHICH CONTAINS 12,139.34+ SQUARE METERS; AND 3,716 SQUARE METERS OF LOT NO. 5402, MUNICIPALITY OF MANGILAO, WHICH CONTAINS 272.5 ACRES.**

**"Parcel G", Tract 3321, Municipality of Umatac "known as Umatac Substation" and Lot NO. 5173-REM-(PART) B, Tamuning, Municipality of Dededo "known as San Vitores Substation" have been officially severed from their respective basic lot. Each parcel contains an area adequate to provide for only the Authority's need. The purpose of the proposed power substation for Umatac will benefit the people of the villages of Umatac, Merizo, Inarajan and Agat. Lot No. 5173-REM-(PART) B, Dededo (San Vitores Substation) is crucial because of the projected overloading of both the Tumon and Tamuning power substations. This anticipated overloading is due to the additions of Royal Palm Garden, Leo Palace, Hyatt Regency, Holiday Inn, PIC, Guam Hilton and Fujita expansions.**

**Portion of Lot No. 5402-R5, Pagat, Mangilao containing an area of 3,716 square meters is the correct description for a proposed 30 MVA (34.5/13.8 KV) Power Substation. Guam Housing Corporation is preparing a master plan to accommodate homes for the landless among other improvements. Again, because of rapid development planned in this vicinity, GPA is very concerned with overloading of the existing power system.**

**However, GPA is recommending modification to the bill to read:**

**Portion of Lot No. 5402-R5, Pagat, Mangilao, Municipality of Barrigada, to contain an area of 3,716 square meters**

**LOT NO. 7054-5, YIGO, MUNICIPALITY OF YIGO - On February 1, 1993, GPA received a memorandum from the Director of Land Management which states: With proper legislative authorization, the Governor of Guam and the Department of Land Management shall**



**PAGE 2**  
**TESTIMONY**

convey title of said property to the Guam Power Authority. The Director (Mr. Frank Castro) is referring to Government of Guam land known as Lot No. 7054-5, Yigo, containing an area of approximately 130,680 square feet or 3 acres not the 4,000 square meters or 1 acre as stated on the above title as delineated on Property Map No. 167FY93. The purpose of acquiring this particular site is because we lack generating capacity to provide sufficient reserves to permit GPA to perform periodic maintenance of the Cabras Power Plant.

GPA recommends modification to the bill to read:

**Lot No. 7054-5, Yigo, Municipality of Yigo, containing an area of 130,680 square meters plus or minus or 12,141 square feet plus or minus, as delineated on map, document number 483993, 167FY93, recorded in the Department of Land Management on February 3, 1993.**

and to insert as the last section to read:

**Section\_\_\_. To permit use by Guam Power Authority of the parcels of lands described herein for public utility uses, Guam Power Authority is hereby granted such conditional uses.**

**BILL NO. 143:** GPA recommends modification of property description on item no. 2 should read as follows:

- 2. Lot No. 5173-REM (PART) B, Tamuning, Municipality of Dededo, containing an area of 1,894 square meters plus or minus or 20,391 square feet, plus or minus, as delineated on map, 470FY92.**

This map is prepared by Duenas and Associates, contracted by Guam Economic Development Authority and in process for final review/approval by the Department of Land Management.

**BILL NO. 232:** GPA is in full support of this bill. However, I recommend the below be inserted as presented in Bill No. 143:

**Section 2. To permit use by Guam Power Authority of the parcel of land described in Section 1 for public utility uses, Guam Power Authority is hereby granted such conditional uses.**

**PAGE 3**  
**TESTIMONY**

**BILL NOS. 232 and 359:** GPA recommends the below paragraph be inserted to each of the two bills (Bill Nos. 232 and 359) or in Bill No. 359 which has incorporated all of the land area GPA needs:

Section\_\_\_. **To permit use by Guam Power Authority of the parcel of land described in Section 1 for public utility uses, Guam Power Authority is hereby granted such conditional uses.**

Passage of Bill Nos. 359, 143 and 232 are urgently needed and the proposed GPA facilities **WILL COMPLEMENT** the existing electrical system for all of the areas mentioned in each of the bills.

Reel thin test

Dear Senator and Governor Adams,  
On March. 2, 1943, we started  
to smell some awful smelling  
smoke. When I smelled it, it  
made me sick.

Please take away the awful  
smell.

Sincerely, Ligya  
Harmon Corp. Elementary  
School.

● Read this test - ●

Dear Senators and GPA,

I don't like the smell of the generator because it gave me a headache and I was sick of the smell I want to smell clean air. Please do something about it because it is giving so much kids and teachers headaches.

Paul Superates,

Read two test

Dear senators and G.P.A.  
Please try to do  
something about  
that genaratr.  
I need clean air.

The air is very very smokey  
Harmon loop E.E.M.

Do good

Dusty Bagggs

Dear Senators and GPA,

I do not want to smell dirty smoke.

Please try to do something with the generator because some kids and teachers are getting sick from smelling the smoke. And the smoke even pollutes the air.

Thank You

From: Hannah

March 25, 1993

Dear Senators and GPA,

In Harmon Loop school all of us in room 19,18 we are getting sick of the smoke. and we are saying to put the generator some other place.

Chrystal Ramos



3/30/93

Good evening Senator Reyes and members of the committee. I am Anne Cummings and a teacher at Harmon Loop Elementary School. I am here this evening to express my concern about the situation in which we now find ourselves in regard to the Macheche generator and its toxic emissions.

One morning in the first week of March all of a sudden children started coughing and tearing at the eyes. I looked around and noticed a haze at the other end of the room and began to smell the odor of deisel exhaust fumes. This was repeated on the morning of March 25th, 1993 and that is how it all began.

We now know that these events were a result of placing the Macheche Generator 400 feet upwind of our classrooms on Harmon Loop Road. These classrooms, as you all know, are open allowing natural ventilation. Prevailing winds blow from the east which means that for 10 months out of the year the exhaust from this generator is blowing through our school. We all know that the inevitability of the weather cannot be controlled.

Is this what GPA had in mind when this site was choosen for the Macheche Generator; a decision that will affect the lives and the health of 900 children under the age of 10, year after year during their 6 year stay at Harmon Loop Elementary School. The other day Mr. Eloy Hara told us that the exhaust emission meets EPA standards, even for placement in an inner city setting. But I ask why should the excellent quality of the air in our environment be allowed to sink to the unhealthy level of the air of an inner city like New York? Why should these 900 children suffer and their brothers and sisters after

them?

EPA approves a certain level of emissions from a diesel tour bus. But would you like to be stuck in traffic with your windows down next to that bus emitting EPA approved fumes for 8 or 9 hours a day or for 6 years. We are stuck next to the Macheche generator the whole working day, 7:30am-5:00pm.

This is an insidious silent threat to our health. Can GPA, EPA or the Governor's Office assure me and the parents of these children that in one year, five years or fifteen years from now no child from Harmon Loop Elementary School will suffer any ill effects from exposure to the exhaust fumes of the Macheche generator?

Can they promise us and back up their words with scientific facts that it is perfectly all right to even periodically experience exposure to diesel fumes in a school environment in which, like a caged animal, one is compelled by law to stay?

This generator must be moved, NO MATTER WHAT THE DOLLAR COST, because the risk to the health of generations of children far outweighs any benefit it provides to the community.

AC

3/30/93

Radon - 7 to eight days

- no smell - no feel - no see  
- We haven't even resolved that and  
now our kids are subjected to fumes  
they can smell - feel, or see and we  
~~are~~ <sup>are</sup> ~~not~~ <sup>not</sup> ~~here~~ <sup>here</sup> ~~to~~ <sup>to</sup> ~~testify~~ <sup>testify</sup> ~~on~~ <sup>on</sup> ~~any~~ <sup>any</sup> ~~the~~ <sup>the</sup> ~~bills~~ <sup>bills</sup> ~~before~~ <sup>before</sup> ~~your~~ <sup>your</sup> ~~committee~~ <sup>committee</sup>.

Tonite, we are not here to testify on  
any the bills before your committee. I  
am here in my capacity as President  
of the Harmon Loop Parent Teacher  
Advisory Council, as a parent and  
a concerned community member.  
Tonite, nothing in this cafeteria  
seems to be odd - the air is fine  
the fumes are not present. But  
you know why — our power system  
is working. Oh I wish the Calcasieu  
can trip for now so the Macheche  
Base Station can be put into use -  
so that you — our dear senators —  
can be subjected to irritating fumes  
that come this way. <sup>Perhaps when you next visit the school what we</sup>  
<sup>and talking about</sup> Our school  
kids have enough problems. Trying  
to get a good education without  
having to subject them to air  
which is not conducive to a  
school environment. We have  
to resolve this matter now. Our  
school staff, teachers, students &  
residents of this surrounding  
area want a good, reliable  
power system but not at

the expense of ~~endangering~~ our  
interrupting an otherwise normal  
school day or even perhaps  
endangering our very lives  
by breathing nauseating and  
fumes and dangerous gases.

We appreciate the fact that  
GPA is concerned with this  
problem. We have been informed  
that GPA is looking at this  
situation closely and would  
install a smoke stack to  
allow these irritating fumes  
to dissipate high above

Harmon Loop Elem. School.

We have a good school, a prosperous  
business community, and a budding  
community of residents. We'll do  
our share to sacrifice, to help  
in our power crisis, to be  
productive citizens — but we  
can not — we will not — if  
we can't even be guaranteed  
fresh, clean, air to breathe.

If you think that my concern  
is all for naught — then I  
wish the Macheche Substation  
be energized now and let's see

GPA has agreed  
not to turn on  
the system  
until after  
school is out.  
But when power  
goes out during  
school hours?  
Our kids suffer  
right?

if you can conduct your  
hearing without interference.

Thank you for your attention.  
Now we await for your action.


ANGEL  
JABLAN

TWENTY SECOND GUAM LEGISLATURE  
FIRST (1993) REGULAR SESSION

APR 12 '93

Bill No. 359 (LS)

Introduced by:

E.D. Reyes V.C. Pangelinan 

AN ACT TO AUTHORIZE THE GOVERNOR OF GUAM TO LEASE TO THE GUAM POWER AUTHORITY THE FOLLOWING PUBLIC LANDS: LOT NO. "PARCEL G", TRACT 3321, MUNICIPALITY OF UMATAC, CONTAINING 1,391 SQUARE METERS; LOT NO. 5173-REM-(PART) B, TAMUNING, MUNICIPALITY OF DEDEDO, CONTAINING 1,894 $\pm$  SQUARE METERS; 4,000 SQUARE METERS OF LOT NO. 7054-5, MUNICIPALITY OF YIGO, WHICH CONTAINS 12,139.34 $\pm$  SQUARE METERS; AND 3,716 SQUARE METERS OF LOT NO. 5402, MUNICIPALITY OF MANGILAO, WHICH CONTAINS 272.5 ACRES.

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

2 Section 1. **Lease Authorized.** Notwithstanding any other provisions of law, the  
3 Governor of Guam is hereby authorized to lease to the Guam Power Authority, an  
4 autonomous agency of the Government of Guam, the following real property: (a) Lot  
5 No. "Parcel G", TRACT 3321, Municipality of Umatac, containing one thousand three  
6 hundred ninety-one (1,391) square meters; (b) Lot No. 5173-REM-(PART) B,  
7 Tamuning, Municipality of Dededo, containing one thousand eight hundred ninety-four  
8 (1,894 $\pm$ ) square meters; (c) four thousand (4,000) square meters of Lot No. 7054-5,  
9 Municipality of Yigo, which contains twelve thousand one hundred thirty-nine  
10 (12,139.34 $\pm$ ) square meters; and (d) three thousand seven hundred sixteen (3,716 $\pm$ )



1 square meters of Lot No. 5402, Municipality of Mangilao, which contains two hundred  
2 seventy-two and one-half (272.5) acres.

3       **Section 2. Terms and Conditions.** The leases authorized herein shall be  
4 governed by the following terms and conditions:

5       a. The parties agree that there shall be no transfer or conveyance to any other  
6 party or person of the lands leased herein.

7       b. The parties agree to incorporate into the lease, and other applicable  
8 documents, reversion clauses to the effect that, should at any time the Guam Power  
9 Authority no longer uses the above-described properties for its operations or should  
10 said Authority become dissolved, the properties shall be reverted to the government of  
11 Guam.

12       c. Lease rate of the properties described in Section 1 above shall be One  
13 Dollar (\$1.00) each.

14       d. The Guam Power Authority is hereby granted conditional use of the  
15 parcels of land described in Section 1 for public utility uses.

16       e. Nothing contained herein shall be construed to prevent or prohibit the  
17 Guam Power Authority from improving, or having improved, or from building,  
18 erecting or constructing structures approved in accordance with the building and zoning  
19 codes of Guam.

# Lourdes San Nicolas



**The Honorable Speaker Therese Terlaje  
The Honorable Clynt Ridgell, Chair Power & Energy Utilities  
The Honorable Members 36<sup>th</sup> Guam Legislature  
Guam Congress Building  
163 Chalan Santo Papa  
Juan Pablo Dos,  
Hagatna, Guam 96910**

**Ref: Testimony on Bills 212 -36 (COR) & 213-36 (COR)**

**Dear Speaker, Chairman Ridgell, and Members of the 36<sup>th</sup> Guam Legislature,**

***Buenas yan Hafa Adai!*** Thank you for allowing me to present both oral and written testimonies in full support of Bills 212 and 213. My name is Lourdes San Nicolas, a resident of the village of Dededo.

After reading Bills 212 & 213 and their benefits to us as ratepayers, I fully understand the importance of passing these two pieces of legislation that will lead to lower power bills, increased power reliability, and provide for a cleaner environment and quality air.

Even before this awful pandemic, many of our families struggled to make ends meet. Now, with many of our residents unemployed and displaced by COVID, rising utility costs add to our challenges.

Additionally, our school children are the youngest victims of this pandemic; many of them missed class time and social interaction with

their schoolmates. Some students attending virtually online have to deal with shoddy internet connections and power outages. We all know this is unacceptable.

Honorable senators, I respectfully request your full support on Bills 212 & 213. The rates are available now for GPA to refinance their bonds, save money and pass on those savings to ratepayers may not be this low again. Retiring those old Cabras power plants and replacing them with a new, more reliable, and efficient power system that burns 99% less emissions will also be possible if these Bills pass into law.

Thank you for your time and attention and I look forward to seeing the passage of these Bills.

**Respectfully,**

**Lourdes San Nicolas**



Clynt Ridgell <clyntridgell@guamlegislature.org>

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## Vote No on Bill 213-36

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**Maase DeOro** <info@sq.actionnetwork.org>

Mon, Jan 17, 2022 at 8:57 AM

Reply-To: [REDACTED]

To: clyntridgell@guamlegislature.org

Senator Clynton Ridgell,

I am 13 years old and many of my friends attend Jose Rios. My dad also lived in Nimitz Estates for a few years. Its not a good idea for the new power plant to be built that close to the school and the water. Please consider roof top solar on concrete structures like schools to meet our islands energy needs. My generation will have many problems because of the actions like this and solar farms. Think of the kids and vote no on this bill.

Maase DeOro

[REDACTED]  
[REDACTED]  
[REDACTED]

The table below reflects the constituents who have sent the following email message to [clyntridgell@guamlegislature.org](mailto:clyntridgell@guamlegislature.org) relative to Bill No. 212-36

**Email Subject:** Yes on Bill 212-36 and 213-36

**Email Body:** I Support GPA!

NAME	DATE	TIME
James Valencia	12/27/2021	4:04 PM
Oresha Jo Perez	12/27/2021	4:08 PM
Joeann Antonio	12/27/2021	4:09 PM
Arleen Gay	12/27/2021	4:10 PM
Rowena Sanchez	12/27/2021	4:15 PM
Sangwook Kang	12/27/2021	4:16 PM
Fran Diaz	12/27/2021	4:26 PM
Shana Cruz	12/27/2021	4:36 PM
Robert Hoffman	12/27/2021	4:51 PM
Wilma Dizon	12/27/2021	4:54 PM
Candice Desamito	12/27/2021	5:21 PM
James Moore	12/27/2021	5:26 PM
Marissa Ann B. Cruz	12/27/2021	5:27 PM
Jovito Carbon	12/27/2021	5:29 PM
Elizabeth Flores	12/27/2021	5:31 PM
Julian Norita	12/27/2021	5:34 PM
Noel Santos	12/27/2021	5:49 PM
Dar Castro	12/27/2021	6:40 PM
Deepa Mirpuri	12/27/2021	7:07 PM
Leo Karamihan	12/27/2021	7:09 PM
Michelle Kamber Founder & CEO Eco-Friendly Options	12/27/2021	8:24 PM
Ed Bisla	12/27/2021	10:10 PM
Katherine Reyes	12/27/2021	10:45 PM
Cemala Quiao	12/27/2021	11:40 PM
Ernestina Perez	12/27/2021	11:45 PM
Ron Abrenilla	12/27/2021	11:47 PM
Joseph Chiu	12/28/2021	1:49 AM
Ashley Short	12/28/2021	2:46 AM
Terry Lubasan	12/28/2021	3:32 AM
Tammy Pangilinan	12/28/2021	6:42 AM
Mary Matanane	12/28/2021	6:58 AM
Cool Breezing	12/28/2021	10:20 AM
Vickey Manglona	12/28/2021	10:22 AM
Arthur DeCastro	12/28/2021	10:24 AM
Marijoy Viernes	12/28/2021	12:01 PM

Ara Buhok	12/28/2021	12:06 PM
Len Tababa	12/28/2021	1:09 PM
Frank Scharff	12/28/2021	1:18 PM
S2 Club Guam	12/28/2021	3:55 PM
Brandon Luzama	12/28/2021	5:04 PM
Barbara Agion	12/28/2021	6:53 PM
Carmela Gonzales	12/28/2021	8:16 PM
Simon Yi	12/28/2021	11:15 PM
Linda Jean P. Palacios	12/29/2021	5:33 AM
Arthur Headley	12/29/2021	8:01 AM
Marissa Anne Cuasito	12/29/2021	8:43 AM
<i>Please help lower our residential power bills. Any piece of savings help support our families since everything continues to increase.</i>		
Ashley Gutierrez	12/29/2021	9:06 AM
Myra Gomez	12/29/2021	5:09 PM
Edna Belger	12/29/2021	5:52 PM
Alexander Allen	12/30/2021	8:17 AM
Joey Gogue	12/30/2021	10:36 AM
Jaqueline Muna	1/1/2022	7:58 AM
Johanna Kim	1/3/2022	10:17 AM
Evelyn Wu	1/3/2022	3:24 PM
Karen Tydingco	1/3/2022	6:14 PM
Ferdinand Villamor	1/4/2022	7:50 AM
Trish Ayuyu	1/4/2022	8:22 AM
Juan Blas	1/4/2022	8:33 PM
Victorio Bitlaol	1/5/2022	8:54 AM
Gina Calata	1/18/2022	8:10 AM
Princess Salas	1/25/2022	12:18 PM
Gerson Valles	1/25/2022	12:18 PM
Francis Toves	1/25/2022	12:18 PM
Richard Sharrock	1/25/2022	12:22 PM
Gregilyn Cabe	1/25/2022	12:39 PM
E. Chargualaf	1/25/2022	12:50 PM
Ron Diaz	1/25/2022	12:59 PM
Katherine Reyes	1/25/2022	1:03 PM
Nicola Santos	1/25/2022	1:05 PM
Juanita Rebanio	1/25/2022	1:07 PM
Cherry Yeban	1/25/2022	1:07 PM
Kimberly Kakas	1/25/2022	2:13 PM
Jose Marquez	1/25/2022	2:14 PM
Santos	1/25/2022	3:35 PM
Milaflor Quituga	1/25/2022	3:41 PM
Myle McFerran	1/25/2022	3:49 PM
Ernestina Perez	1/25/2022	4:26 PM

Joseph Devenecia	1/25/2022	5:21 PM
Deepa Mirpuri	1/25/2022	10:15 PM
<i>"Hi, how do I have to do this"</i>		
Fe Louben	1/25/2022	10:18 PM
Jimmy Borja	1/26/2022	6:33 AM
FC Santos	1/26/2022	7:10 AM
Clarisse Cayabyab	1/26/2022	8:31 AM
Shirley Nacpil	1/27/2022	9:04 AM
Marcia Hagood	1/30/2022	1:02 PM
Hilda Franz	1/31/2022	9:39 AM
Linda Salas	1/31/2022	10:55 AM
Angie T.	1/31/2022	12:54 PM





Clynt Ridgell <clyntridgell@guamlegislature.org>

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## Yes on Bill 212-36 and 213-36

1 message

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**James Valencia** <james.valencia@yahoo.com>

Mon, Dec 27, 2021 at 4:04 PM

To: customersfirst@gpagwa.com, senatormunabarnes@guamlegislature.org, senatortcnelson@guamlegislature.org, officeofsenatorshelton@guamlegislature.org, office@senatorjoannebrown.com, senatorjoessanagustin@gmail.com, speaker@guamlegislature.org, clyntridgell@guamlegislature.org, senatorpedo@senatorjpterlaje.com, office@senatorperez.org, office@senatorfrankblas.com, senatorvanthonyada@gmail.com, senatortelot@gmail.com, officeofsenatormoylan@guamlegislature.org, senatormary@guamlegislature.org, senatorchrisduenas@gmail.com

I Support GPA!

James B.Valencia  
Sent from my iPhone



January 18, 2022

The Honorable Clynton E. Ridgell  
Chairman, Committee on Economic Development,  
Agriculture, Power and Energy Utilities and the Arts  
238 Archbishop Flores St., Suite 906  
Hagåtña, GU 96910

Dear Senator Ridgell:

On November 16, 2021, the Piti Municipal Planning Council held a meeting to invite leaders from the Guam Power Authority to present its plans for the new Ukudu Power Plant to include a 41-megawatt backup unit on the Cabras campus, both of which will provide renewable and cleaner energy for Guam. GPA took the time to prepare materials that our residents could easily understand while presenting a plan to replace older generators with cleaner energy solutions.

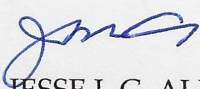
Our residents appreciated the open conversation with GPA. General Manager John M. Benavente walked us through GPA's methodical steps for introducing renewable energy sources as they retire the older Piti units that are not as efficient or clean-burning as the new plants. Once the Ukudu Power Plant is online, it will reduce our power bills by 15-20% in the next three to five years and overall emissions by 99.4%. Guam is on a path to achieving more sustainable, reliable, and cleaner energy that will help meet the island's 50% renewable energy goal by 2030 and achieve 100% renewable energy by 2045.

We support Bill 213-36, which requests an exemption for GPA to build the Ukudu backup generator at Cabras. This backup unit is a cleaner-burning plant that meets the U.S. EPA and Guam EPA's clean energy standards. It will not be an issue for our residents and the Jose Rios Middle School. In fact, the unit will not be online full-time and will serve only as a backup unit when the Ukudu plant will be serviced once every four years, when the island needs to produce additional wattage, or during emergencies such as storms. Rather than posing an environmental concern, the new plant will reduce emissions and comply with the U.S. Clean Air Act. We are in support of environmentally responsible energy solutions.

Thank you for your time and consideration!



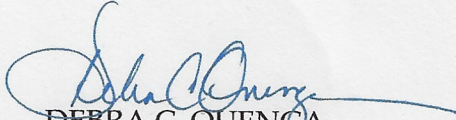
Sincerely,



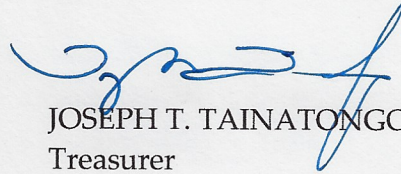
JESSE L.G. ALIG  
Mayor of Piti and Chairperson



YVETTE L.G. CRUZ  
Vice Chairperson




DEBRA C. QUENCA  
Secretary



JOSEPH T. TAINATONGO  
Treasurer



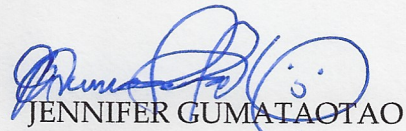
OWEN B.P. BOLLINGER  
Member



FAY G. CARBULLIDO  
Member




MICHAEL Q. EBIO  
Member



JENNIFER GUMATAOTAO  
Member



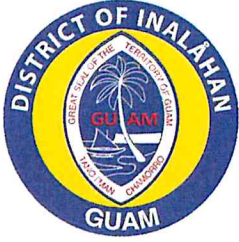
LILLIAN L. MANUEL  
Member



KIMBERLY A.V. SHEPPARD  
Member







Mayor Anthony P. Chargualaf, Jr.  
P.O.Box 786 Hagatna, Guam 96932  
Office: 475-2509/10/11  
Email Address: inalahanmayor@gmail.com



January 18, 2022

**Honorable Senator Clynt E. Ridgell, Chairperson**  
**Committee on Economic Development, Agriculture, Power and Energy utilities & the Arts**

**Ref: Bill 212-36 & 213-36**

Hafa Adai Honorable Senator Clynt Ridgell, Chairperson of the Committee on Economic Development, Agriculture, Power, and Energy Utilities and the Arts and all Honorable Senators of the 36<sup>th</sup> Guam Legislature, Un Dungkulo Na Si Yu'os Ma'ase for this opportunity to provide my testimony in full support of Bill 212-36 and Bil 213-36.

My name is Anthony P. Chargualaf, a resident of Inalåhan for over 54 years and thr current Mayor of our historic village. In recent months, the village of Inalåhan and several other southern villages have been experiencing power utages twice a week and sometimes more than usual. When this happens, my staff will promptly communicate with GPA on the status of the power interruption. I commend the Guam Power Authority for their prompt response and action to address the power interruption in the southern villages to restore and bring us back on the grid at the earliest possible.

As a former utility employee myself, I understand the challenges with trying to provide the expected service with an aging infrastructure at a cost that is going beyond the means of the median income family.

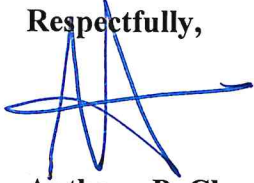
I strongly support Bill 212-36 because it will allow GPA to take advantage of historic low-interest rates, translating into \$15.3 million of cash flow savings which translates into saving for the ratepayers starting from 2024-2030.

I strongly support Bill 213-36, which will allow the Guam Power Authority to contract a 41MW generator reserve and proceed with critical energy projects that will translate into increased power reliability, improved air quality, and definitely lower rates. Our entire island community, especially the southern villages, will be receptive to this plan.

I want to thank GPA's General Manager, John Benavente and his management team, including the CCU Board, for their foresight in planning our Power infrastructure and ensuring that our island needs will be met as our demand increases. I am highly encouraged at the wisdom of GPA to create a plan to address our community needs, especially for the southern villages, for a reliable, more efficient, affordable,, and cleaner environment power system.

In closing, I would like to thank each of you Honorable Senators for this opportunity to expressly suport Bills 212—36 and 213-36. More importantly, I ask for your support and ultimate apporval and passage of these two Bills.

**Respectfully,**

A handwritten signature in blue ink, consisting of a stylized 'A' with a horizontal line extending to the right.

**Anthony P. Chargualaf, Jr.**  
**Mayot Inalåhan**

RE: Organizations against Bill 213-36

Hafa Adai Senators,

January 19th, 2022

The undersigned organizations and community stakeholders urgently request the legislature to vote against Bill 213-36. The current law in existence was created by previous leaders who wanted to protect kids from exposure to the harmful chemicals that come from power plants. According to the U.S. Environmental Protection Agency's website "'Burning fossil fuels at power plants creates emissions that can lead to respiratory and cardiovascular problems, and exposure to mercury can **increase the possibility of health issues ranging from cancer to immune system damage.**" It is your duty as public servants to protect the health, welfare and environment of our island residents. Not only this, but Guam Power Authority also has plans to eventually bring liquefied natural gas (LNG) to Guam which is extremely flammable and explosive. Under the right conditions, a major leak of volatile refrigerants on a windless day could lead to a vapor cloud explosion. Such accidents are neither trivial nor rare. The majority of fires and explosions are associated with pipeline failures. A congressional research service study in 2008 (when the US was a net exporter of LNG) stated that LNG infrastructure is inherently hazardous. Also, John Benavente of GPA told Senator Sabina Perez in a 2019 public hearing that they wanted to build the power plant away from the port area because of tsunami risks. Now, they are going against their own claims and advocating to build a power plant at the port area. This is a desperate decision that lacks integrity and compassion for students and teachers at Jose Rios Middle School as well as residents in the surrounding area.

Public law 35-46 commits Guam Power Authority to transition to 100% renewable by 2045. The permitting issues GPA is encountering is delaying their projects and ultimately extending the 25 year contract they have entered with Korea Electric Power Company (KEPCO). The climate crisis is intensifying and cities, states and countries around the world are transitioning to renewable energy. Given the falling costs of renewable alternatives and the increased development of technology, the expansion of fossil fuel infrastructure on Guam is completely unnecessary. If built, this would lock our island into decades of fossil fuel use.

Finally, our entire community witnessed the destruction that took place at Marbo Caves earlier this year at the hands of KEPCO. Since 2019, our organization has spoken out against KEPCO and tried to shed light on the company's history of scandals and corruption. In 2013, a major investigation uncovered widespread corruption and bribery in KEPCO's nuclear power supply chain and more than 100 people were arrested and charged. In 2015, KEPCO was caught receiving kickbacks from U.S. companies. In 2016, KEPCO was charged with furnishing false and misleading information to the New South Wales Division of Resources and Energy in Australia ([Source](#)). In 2019, a Climate Impact Pledge report said that KEPCO "'is the lowest-scoring company in its [electric utilities] sector, particularly on measures of strategy and board composition.'" ([Source](#)).

Allowing GPA and KEPCO to build a power plant 1,200 feet from Jose Rios Middle School is irresponsible and a grave injustice to our community. Please do the right thing and vote against Bill 213-26.

Respectfully,

Micronesia Climate Change Alliance

Generation Renewable Inc.

Us For Guam Network

UOG Green Army

Save Southern Guam

Masakâda Collective

Prutehi Litekyan Save Ritidan

Numa'lo Refillery



**PUBLIC UTILITIES COMMISSION  
OF GUAM**

Jeffrey C. Johnson  
Chairman

Peter Montinola  
Vice-Chairman

Commissioners

Joseph M. McDonald  
Rowena E. Perez-Camacho  
Michael A. Pangelinan  
Doris Flores Brooks  
Pedro S.N. Guerrero

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Hagatna, Guam 96932  
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Fax: (671) 472-1917  
Email: info@guampuc.com

Lourdes R. Palomo  
Administrator

Frederick J. Horecky  
Chief Administrative Law Judge

Joseph R. Alcantara  
Administrative Law Judge

Anthony R. Camacho  
Legal Counsel

January 18, 2022

Senator Clynton E. Ridgell  
Chairperson  
Committee on Economic Development  
Agriculture, Power and Energy Utilities,  
and the Arts  
36<sup>th</sup> Guam Legislature  
238 Archbishop Flores St.  
Suite 906-DNA Building  
Hagatna, GU 96910

Re: Testimony of Acting Chairman Peter Montinola, Guam Public Utilities  
Commission, on Bill No. 213-36(COR)

Dear Chairperson Ridgell:

The Guam Public Utilities Commission ["PUC"] appreciates the opportunity to  
comment on proposed Bill No. 213-36(COR). The PUC strongly supports the Bill. Its  
passage is critical to the future of Guam's island wide power system.

- I. THE CONSTRUCTION OF THE 41MW RESERVE FACILITY AT CABRAS IS AN  
INTEGRAL AND NECESSARY PART OF THE NEW UKUDU POWER PLANT  
PROJECT.

In 2015, the PUC approved GPA's plan to proceed ahead with the construction and commissioning of the new Ukudu Power Plant. On October 31, 2019, in GPA Docket 19-13, the PUC reviewed and approved the Energy Conversion Agreement between GPA and KEPCO for the construction and operation of the 198MW Power Plant.

In February of 2021, the PUC authorized certain amendments to the Energy Conversion Agreement (ECA) between GPA and KEPCO. The parties agreed to include, as a part of the new power plant project, the construction of a 41MW diesel engine reserve facility at the Cabras site near the GPA Fuel Oil Storage Facility. The construction of the 41MW facility was in lieu of the 65MW standby generator facility that had previously been a part of the Ukudu Power Plant project.

The PUC determined that it was necessary to revise the original GPA- KEPCO ECA, which provided for the construction of a 65MW standby generator facility at the Ukudu site. However, a "minor source" permitting was not feasible if the 65MW facility continued to be located at the Ukudu site. The USEPA had concerns that the plant construction would be delayed for too long if the "major source" permitting process was followed.

The 65MW reserve facility was only intended to be used for short duration outages and could only be operated when KEPCO determined. With the 41MW facility, GPA is in complete control as to when the facility is dispatched. The 41MW facility is allowed to run for a minimum 2,600 hours and likely as much as 5,000 hours per year, as opposed to the limited operating capacity of 500 hours annually of the 65MW reserve facility.

The change of location of the 41MW reserve facility to Cabras was necessary to allow the main Ukudu power generators to operate under a minor source air permit.

The rationale and necessity for the 41MW reserve generators was fully vetted by the PUC and approved in GPA Docket 21-07. A detailed explanation for the necessity of the 41MW reserve facility at Cabras, and as part of the Ukudu facility, is contained in the PUC Order in GPA Docket 21-07, which is attached hereto as Exhibit "1".

## II. THE GUAM LEGISLATURE SHOULD GRANT AN EXEMPTION TO GPA AUTHORIZING THE CONSTRUCTION OF THE 41MW RESERVE FACILITY

The Consent Decree entered between GPA and the United States Environmental Protection Agency /U.S. Department of Justice requires that the Ukudu Plant and the 41MW reserve facility be completed no later than April 2024. The "Legislative Findings and Intent", Section 1 of the Bill, correctly recognize that construction of the new 41MW diesel facility at Cabras is required by the Consent Decree. If the 41MW diesel generator facility and the Ukudu Power Plant are not completed by the April 2024 deadline, GPA will be in violation of the Consent Decree and subject to millions of dollars in fines and penalties.

12 GCA §8119 currently restricts the construction of a power generation facility, with a capacity of more than 1MW, within 1,500 feet of a school. The Legislature should take every step possible to allow GPA to comply with the Consent Decree (which is an Order of the Federal District Court of Guam) by exempting the construction of the new 41MW diesel plant from the provisions of §8119. GPA has provided a substantial justification for the exemption of the construction of the 41MW diesel plant from §8119; GPA's justification for the exemption is adopted in this Testimony and attached hereto as Exhibit "2".

Unless the Guam Legislature approves the exemption for the new 41MW reserve facility, there is a possibility that the entire power plant project could be derailed. The company constructing the plant, Guam Ukudu Power LLC (GUP), has indicated that its lenders may not finance the new power plant unless this issue regarding the

construction of the proposed 41MW reserve plant is resolved. Potentially, if the exemption is not approved, the entire Ukudu Power Plant project could fall through. This would be a disaster for the people of Guam and could prevent the achievement of the availability of sufficient power generation in the future. All the planning and hard work of GPA and the PUC to improve and modernize the power system, and to incorporate renewables, would be for nothing. Without the reliable power provided by the Ukudu Plant, it is very unlikely that GPA will be able to incorporate renewables into the system or meet the goals of incorporating as many new renewables. It is critical that the Guam Legislature approve this exemption.

**III. THERE IS NO EVIDENCE THAT CONTRUCTION OF THE 41MW RESERVE FACILITY AT CABRAS PRESENTS A RISK OF HARM TO JOSE RIOS MIDDLE SCHOOL OR ITS STUDENTS.**

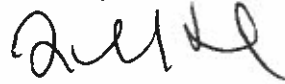
According to GPA, the 1,500-foot restriction in Public Law 22-23 was promulgated to address the Macheche Combustion Turbine, which had been constructed within 500 feet of JM Guerrero Elementary School in Harmon. The Macheche plant initially burned 0.5% sulfur diesel. However, this issue was addressed by the raising of the stack, and the changing of fuel to 0.0015% Ultra Low Sulfur Diesel. There have been no issues since PL 22-23 was enacted in June of 1993 regarding the Macheche CT and JM Guerrero Elementary School. A review of PL 22-23 does not disclose any basis or justification for the limitation of 1,500 feet. It does not appear that there is any scientific basis for the limitation. GEPA has been operating the Macheche CT on ULSD for years without issue.

The existing baseload plants, Piti 8 & 9, have been operating within 1,500 feet of Jose Rios Middle School since the 1990's. There is no indication of any adverse effect. The 41MW reserve units will consume and burn ULSD at less than 10% of the existing Piti plants' consumption. The plant will be permitted by GEPA and USEPA, ensuring compliance with current and future ambient air standards. In fact, GPA has noted that,

in compliance with the Consent Decree, over the next three years there will be a system-wide 1,859x improvement in SO2 omissions under the USEPA Air Quality Standards.

The Piti Municipal Planning Counsel has voted to support the measure (Bill No. 213-36(COR)). Legislative approval of the exemption for the 41MW reserve facility at Cabras will enable GPA to retire costly aging legacy power plants, resulting in an improved power system reliability and cost savings. On behalf of the PUC, I respectfully request that the Senators of this Committee support passage of Bill No. 213-36 (COR), and that the Guam Legislature enact the Bill into law.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter Montinola', with a stylized flourish at the end.

Peter Montinola  
Acting Chairman  
Guam Public Utilities Commission

BEFORE THE GUAM PUBLIC UTILITIES COMMISSION



IN THE MATTER OF: ) GPA Docket 21-07  
)  
The Application of the Guam Power )  
Authority to Approve the Amendment to ) **ORDER**  
the Energy Conversion Agreement (ECA) )  
with KEPCO for the 198MW Power Plant. )  
\_\_\_\_\_ )

INTRODUCTION

This matter comes before the Guam Public Utilities Commission ["PUC"] upon the Guam Power Authority ["GPA"] Petition to Approve the Amendment to the Energy Conversion Agreement (ECA) with Korean Electric Power Company ["KEPCO"] for the 198MW Power Plant.<sup>1</sup>

The essentials of the Proposed Amendment are set forth in Exhibit "1" to the ALJ Report. Exhibit "1" is Attachment A to Guam Consolidated Commission on Utilities Resolution No. 2021-02.<sup>2</sup> GPA has also provided to the PUC five proposed Schedule Attachments to the Energy Conversion Agreement which specify the requirements for the proposed operation of a 41MW diesel facility at Cabras: Schedule 1, Functional Specifications for Reserve Facility; Schedule 2, Technical Limit and Contracted Characteristics; Schedule 3, Commissioning and Testing; Schedule 4, Determination of Tariff; and Schedule 10, ULSD and Natural Gas Metering System and Settlement.<sup>3</sup>

<sup>1</sup> GPA Petition to Approve the Amendment to the Energy Conversion Agreement (ECA) with KEPCO for the 198MW Power Plant, GPA Docket 21-07, filed February 5, 2021.

<sup>2</sup> Guam Consolidated Commission on Utilities Resolution No. 2021-02, Relative to Authorization of Ukudu Power Plant Energy Conversion Agreement (ECA) Amendment for Relocation of Emergency Diesel Units and Pursuit of Minor Source Air Permit, Attachment 1, adopted and approved on January 26, 2021; see Exhibit "1" attached hereto.

<sup>3</sup> Copies of these Schedules were provided in an email from GPA Legal Counsel Graham Botha to PUC ALJ Fred Horecky dated February 5, 2021.

The Amendment negotiated by GPA and KEPCO contains three basic aspects: (1) in the original KEPCO Proposal, KEPCO was to build a diesel facility of 65MW of standby generation capacity at the Ukudu new plant site. The parties have now agreed that, instead of the construction of a 65MW standby generator facility at the Ukudu site, 41MW of diesel engines will be installed near the GPA Cabras Fuel Oil Storage Facility<sup>4</sup>; (2) The Commercial Operation Date (COD) for the 198MW Power Plant will be changed from October 31, 2022, to April 2024<sup>5</sup>; and (3) the air permitting for the new power plant will be “minor source” rather than “major source.”

## **BACKGROUND**

### **A. Prior PUC Actions**

On October 31, 2019, in GPA Docket 19-13, the PUC approved the Energy Conversion Agreement between GPA and KEPCO for the construction and operation of the 198MW Power Plant in Ukudu.<sup>6</sup> On December 5, 2019, the PUC approved the Consent Decree between GPA and USEPA, which constituted a final resolution of environmental violations alleged by EPA.<sup>7</sup> Both the Consent Decree and the ECA presently require the construction and operation of the new power plant burning ultra-low sulfur diesel (ULSD) by October 31, 2022.<sup>8</sup> Based upon KEPCO’s bid proposal, the parties agreed that KEPCO would construct a 65MW reserve facility that would serve as a backup in the event that the new power plant could not operate. The site of the reserve facility was at Ukudu.

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<sup>4</sup> GPA Petition to Approve the Amendment to the Energy Conversion Agreement (ECA) with KEPCO for the 198MW Power Plant, GPA Docket 21-07, filed February 5, 2021, at p. 1.

<sup>5</sup> Id., at p. 2.

<sup>6</sup> PUC Order, GPA Docket 19-13, dated October 31, 2019, at p. 19.

<sup>7</sup> PUC Order, GPA Docket 20-01, dated December 5, 2019, at p. 6.

<sup>8</sup> GPA Petition to Approve the Consent Decree with the United States Environmental Protection Agency (EPA), GPA Docket 20-01, filed November 12, 2019, at p. 1.

B. GPA's Stated Justification for the Relocation of the Reserve Facility

GPA's justification for the relocation of the Reserve Facility is set forth in a Letter from GPA General Manager John Benavente to CCU Commissioners, dated December 14, 2020, which is attached to the ALJ Report as Exhibit "2".<sup>9</sup> The reason for relocation of the diesel standby generator facility from Ukudu to Cabras relates in part to the permitting process for the new power plant. KEPCO originally pursued "Major Source Permitting" to meet its performance obligations for the new power plant. USEPA expressed concerns that major source permitting would result in substantial delays in the construction of the new power plant. Subsequently, KEPCO and GPA agreed on a minor source permit process and the relocation of the diesel standby engine plant to a Cabras site directly adjacent to the GPA Bulk Fuel Oil Storage Tank Facility.<sup>10</sup>

A "minor source" permitting was not feasible if the 65MW facility continued to be located at the Ukudu site. With minor source, there is a 100 ton per year limitation on emissions. With the combination of both the 198MW combined cycle and the 65 MW diesels at Ukudu, the production capability of the Ukudu plant would have been significantly limited when the steam turbine is overhauled every four years.<sup>11</sup> The 65MW reserve facility was only intended to be used for short duration outages and was only capable of operating for 300 hours continuously.<sup>12</sup> The 65MW reserve facility could only operate at a maximum of 500 hours per year.<sup>13</sup>

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<sup>9</sup> Letter from General Manager John Benavente to CCU Commissioners, Subject: Update on New Power Plant and USEPA Negotiations, dated December 14, 2020, attached hereto as Exhibit "2".

<sup>10</sup> Id. at p. 2.

<sup>11</sup> GPA Responses to PUC Requests for Information, GPA Docket 21-07, dated February 16, 2021, Response No. 5.

<sup>12</sup> Id., at Response No. 3.

<sup>13</sup> Letter from General Manager John Benavente to CCU Commissioners, Subject: Update on New Power Plant and USEPA Negotiations, dated December 14, 2020, at p. 2.



C. CCU Resolution No. 2021-02

On January 26, 2021, the Guam Consolidated Commission on Utilities, in Resolution No. 2021-02, authorized the Amendment of the Ukudu Power Plant Energy Conversion Agreement for relocation of the emergency diesel units and pursuit of minor source air permit.<sup>14</sup> The CCU recognized that the USEPA had expressed concerns that the local company constructing the plant, Guam Ukudu Power [“GUP”] LLC, intended to pursue a major source air permit path, which would result in significant delays because of the lengthy air monitoring requirements before a major source permit could be issued. This delay could extend the Commercial Operation Date past 2025.

The USEPA encouraged GPA to work out an alternative which would permit the plant under minor source permitting.<sup>15</sup> The CCU recognized that GPA and GUP LLC had reached an agreement to permit the Ukudu Combined Cycle Plant as a minor source air permit, to install a 41MW plant of diesel engines in Cabras, and to agree to fixed and variable O&M rates to compensate for the operation and maintenance of the new diesel plant.

The CCU also authorized GPA to amend the Ukudu Power Plant Energy Conversion Agreement for the relocation and operation of a 41MW diesel unit facility at Cabras, and to require GUP LLC to pursue a minor source air permit, with the new Commercial Operation Date of the Ukudu plant to be no later than April 2024. The parties also agreed to “best efforts” to achieve a target COD of November

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<sup>14</sup> Guam Consolidated Commission on Utilities Resolution No. 2021-02, Relative to Authorization of Ukudu Power Plant Energy Conversion Agreement (ECA) Amendment for Relocation of Emergency Diesel Units and Pursuit of Minor Source Air Permit, adopted and approved on January 26, 2021.

<sup>15</sup> *Id.*, at p. 1.

2023.<sup>16</sup> The proposed diesel plant at Cabras would consist of 15 units of 2.75MW capacity each available for continuous operations.<sup>17</sup> In accordance with the agreement between GPA and GUP LLC, GPA would pay a fixed O&M of \$2M annually, and a variable O&M of \$0.025/kWh. GPA would provide the ULSD for the diesel units.<sup>18</sup>

#### D. Contract Review Protocol

Pursuant to 12 G.C.A. § 12105, GPA may not enter into any contractual agreements or obligations which could increase rates and charges without the PUC's express approval. Furthermore, GPA's Contract Review Protocol requires that "[a]ll professional service procurements in excess of \$1,500,000" require "prior PUC approval. . . which shall be obtained before the procurement process is begun." The annual fixed management fees of \$2M for the 41MW plant alone will exceed the contract review threshold, thus requiring PUC review.

The Administrative Law Judge filed his Report herein dated February 22, 2021. The PUC adopts the conclusions and recommendations in the Report.<sup>19</sup>

### **DETERMINATIONS**

A. The 41MW Diesel Plant at Cabras provides significant advantages to GPA over the previously proposed 65MW facility at Ukudu.

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<sup>16</sup> Id., at pgs. 2-3.

<sup>17</sup> Proposed Amendment of the Ukudu Power Plant Energy Conversion Agreement, January 21, 2021, at p. 6.

<sup>18</sup> Id.

<sup>19</sup> ALJ Report, GPA Docket 21-06, dated February 22, 2021.

41MW of continuous operating diesel units would be installed on GPA property next to the GPA Bulk Fuel Oil Storage Facility. The original KEPCO proposal was for 65MW of standby generators at the Ukudu site.<sup>20</sup> The Reserve Facility at Ukudu was a 65MW power generation plant consisting of twenty-six (26) high speed reciprocating engines operating on ULSD. However, the diesel units at Ukudu were “designed for operation of no more than 500 hours per year and of no more than 300 hours of continuous operation.”<sup>21</sup>

The 65MW reserve facility had an extremely limited operating capacity of 500 hours annually. Only KEPCO, and not GPA, could dispatch the unit. The only purpose of the 65MW reserve facility was to provide backup to KEPCO when it was not meeting availability guarantees with the new power plant. GPA had absolutely no say as to when the facility would be run, and GPA could not use the 65MW facility for grid support.<sup>22</sup>

With the change to minor source permitting, the 41MW facility at Cabras would be permitted to run for a minimum of 2,600 hours and likely as much 5,000 hours.<sup>23</sup> With the 41MW facility, GPA is in complete control as to when the facility is dispatched. The facility is continuously dispatchable throughout the year. It will provide generation capacity and grid support to the island-wide power system. The change in the proposed site of the diesel units to Cabras is clearly advantageous to

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<sup>20</sup> Letter from General Manager John Benavente to CCU Commissioners, Subject: Update on New Power Plant and USEPA Negotiations, dated December 14, 2020, at pgs. 1-2.

<sup>21</sup> GPA Workpaper on Proposed Amendment of the Ukudu Power Plant Energy Conversion Agreement, January 21, 2021, at p. 4.

<sup>22</sup> Phone Conference between ALJ Horecky, Graham Botha, and Jennifer Sablan on February 17, 2021.

<sup>23</sup> Letter from General Manager John Benavente to CCU Commissioners, Subject: Update on New Power Plant and USEPA Negotiations, dated December 14, 2020, at p.2.

GPA. Such change would allow the 41MW to be run continuously, as opposed to the limitation on the Ukudu site to 500 hours.<sup>24</sup>

This advantageous change is premised upon KEPCO's agreement to proceed with a minor source air permit application process rather than the major source permitting. GPA provided KEPCO the alternative of relocating the diesel generator facility to Cabras and making "adjustments to the capacity factor of the combined cycle during the steam turbine overhaul years."<sup>25</sup> GPA agreed to adjust the new plant availability from 85% to 66% during steam turbine overhaul once every 4 years.<sup>26</sup> The PUC should approve the change in location of the diesel units, the minor source permitting process, and the adjustments to the capacity factor of the combined cycle during the steam turbine overhaul years. USEPA has indicated that it is not opposed to change the diesel location, and the permitting process to minor source. It believes that the amendment would address the avoiding of delays in the permitting process.<sup>27</sup>

- B. Although there are additional Costs resulting from placing the 41MW plant at Cabras, there does not appear to be any viable alternative; the relocation of the 41 MW facility to Cabras also will result in savings that will offset the costs.

According to GPA, there was simply no way that the proposal for the 65MW reserve facility could be worked out. It was not cost effective for KEPCO to proceed with it

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<sup>24</sup> Phone Conference between ALJ Horecky, Graham Botha, and Jennifer Sablan on February 17, 2021.

<sup>25</sup> Letter from General Manager John Benavente to CCU Commissioners, Subject: Update on New Power Plant and USEPA Negotiations, dated December 14, 2020, at p.2.

<sup>26</sup> GPA Workpaper on Proposed Amendment of the Ukudu Power Plant Energy Conversion Agreement, January 21, 2021, at p. 6.

<sup>27</sup> Letter from General Manager John Benavente to CCU Commissioners, Subject: Update on New Power Plant and USEPA Negotiations, dated December 14, 2020, at p.2.

under minor source permitting. GPA was concerned that, without a resolution to these issues, KEPCO may well have declined to proceed with the ECA.<sup>28</sup> Placing the 65MW facility at Ukudu is no longer realistic. Therefore, there is no alternative to location of the 41MW facility at Cabras.

As with the prior proposal for a 65MW facility, the 41MW facility will be constructed by KEPCO. GPA does not pay any additional amount for the construction of the plant.<sup>29</sup> GPA will pay a fixed annual fee to KEPCO of \$2M to operate and maintain the plant. KEPCO will need about 35 personnel to operate and maintain the plant including overhauls throughout the plant life, which are funded from fixed cost.<sup>30</sup> Fixed O&M covers personnel costs for manning the plant, and other costs such as administration, permitting, licensing, etc. Variable O&M include such consumable items as oil, filters, equipment replacements, and other operation items.<sup>31</sup> GPA estimates that variable costs will be \$2.425M annually.<sup>32</sup> The variable O&M will be \$0.025/kWh.<sup>33</sup> There will likely be additional costs of \$4.425M annually for the operation of the 41 MW plant.<sup>34</sup> The annual cost for the 41MW facility is over \$400,000 less than that for the Aggreko plant.<sup>35</sup>

The 41MW plant would result in cost savings, although it is difficult to quantify those at the present time. The 41MW plant would allow GPA to retire units which

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<sup>28</sup> Id. at p. 1.

<sup>29</sup> Phone Conference between ALJ Horecky, Graham Botha, and Jennifer Sablan on February 17, 2021.

<sup>30</sup> GPA Responses to PUC Requests for Information, GPA Docket 21-07, dated February 16, 2021, Response No. 9.

<sup>31</sup> Phone Conference between ALJ Horecky, Graham Botha, and Jennifer Sablan on February 17, 2021.

<sup>32</sup> GPA Responses to PUC Requests for Information, GPA Docket 21-07, dated February 16, 2021, Response No.11.

<sup>33</sup> GPA Workpaper on Proposed Amendment of the Ukudu Power Plant Energy Conversion Agreement, January 21, 2021, at p. 6.

<sup>34</sup> Id.

<sup>35</sup> Id.

are already 30 years old.<sup>36</sup> Possible candidates include the Tenjo diesels, the Talofofo diesels, the Yigo CT, and Piti 8 & 9.<sup>37</sup> Savings would include the operation costs of such older plants. The 41MW plant would provide fuel saving and would be more efficient than the older plants. GPA has provided calculations showing that the 41MW plant is less expensive to run than the Aggreko plant, which both have similar energy production. Since the 41MW plant is close to the ULSD storage facility at Cabras, tanker transportation required to other plants (\$9.24/Bbl. Delivery costs) will be avoided.<sup>38</sup>

C. The Amendment to Change Commercial Operation Date to April 2024 is justified by several Factors.

The parties have targeted a COD date as April 2024, although they have also agreed to “make all best efforts to reduce the COD to November 30, 2023.”<sup>39</sup>

There are many factors that justify the amendment of the ECA to change the Commercial Operation Date. There had been several delays caused by the negotiations on major source/minor source permitting. Minor source permitting does result in a shorter commissioning period but is potentially not economically feasible to KEPCO due to higher capital investment requirements to meet contract performance.<sup>40</sup>

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<sup>36</sup> GPA Responses to PUC Requests for Information, GPA Docket 21-07, dated February 16, 2021, Response No. 5.

<sup>37</sup> Phone Conference between ALJ Horecky, Graham Botha, and Jennifer Sablan on February 17, 2021.

<sup>38</sup> GPA Responses to PUC Requests for Information, GPA Docket 21-07, dated February 16, 2021, Response No. 5.

<sup>39</sup> Conditions for DG Plant relocation and Minor Air Permit Acquisition for Ukudu Project, dated December 11, 2020 and signed by GPA/Guam Ukudu Power, LLC, at p. 3 (Exhibit “1” hereto).

<sup>40</sup> Proposed Amendment of the Ukudu Power Plant Energy Conversion Agreement, January 21, 2021, at p. 5.

According to GM Benavente, these economic feasibility issues had even led to a possibility of contract termination. However, the parties were able to work out an appropriate compromise. The environmental and construction permitting has presented challenges. This is the first new power plant construction in 23 years. The resources of applicable local permitting agencies have been taxed. There has been substantially increased scrutiny on historical preservation and environmental permitting due to the military build-up and other community concerns.<sup>41</sup>

On top of the foregoing challenges, there have been delays related to the COVID-19 pandemic. The relevant local government permitting agencies have had reduced availability during the pandemic due to closures. Quarantine requirements and other travel restrictions made it difficult for KEPCO personnel to travel to Guam. There have been work inefficiencies resulting from the changes in the operating mode.<sup>42</sup> KEPCO was unable to contract with its originally selected Engineering, Procurement, and Construction Contractor, Hyundai, because of the delays and uncertain schedules for the plant causing the contract cost to increase. KEPCO issued a new tender for its EPC, and is engaging a new EPC, Doosan Industries.<sup>43</sup>

Therefore, the proposed change in the Commercial Operation Date is justified due to the legitimate delays that have occurred, which delays were beyond the ability of the parties to avoid.

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<sup>41</sup> Id.

<sup>42</sup> Id.

<sup>43</sup> Letter from General Manager John Benavente to CCU Commissioners, Subject: Update on New Power Plant and USEPA Negotiations, dated December 14, 2020, at p.2.



### **ORDERING PROVISIONS**

After review of the record herein, including GPA's Petition and the Proposed Amendments to the Energy Conversion Agreement between GPA and KEPCO, GPA's Responses to PUC's Requests for Information, and the ALJ Report, for good cause shown, on motion duly made, seconded and carried by the undersigned Commissioners, the Guam Public Utilities Commission **HEREBY ORDERS** that:

1. GPA' proposed Amendments to the Energy Conversion Agreement between GPA and KEPCO are approved. The changes which PUC approves include:
  - (a) Removal from KEPCO's proposal of the construction of a 65MW diesel reserve facility at Ukudu, and location of a 41MW diesel engine reserve facility at the Cabras site, and the agreement by the parties for Minor Source permitting for such facility and the new power plant; and
  - (2) a change in the Commercial Operation Date from October 31, 2022, to April 2024, with the agreement by the parties to use best efforts to meet a November 30, 2023 target.
2. GPA is authorized to pay to KEPCO a fixed annual fee of \$2M and a variable O&M fee of \$0.025/kWh to operate and maintain the 41MW diesel plant.
3. GPA shall continue to work with USEPA to expeditiously approve the changes to the ECA reflected in paragraph 1 above. GPA shall provide quarterly reports to the PUC concerning the status of its negotiations with USEPA.
4. GPA is ordered to pay the Commission's regulatory fees and expenses,



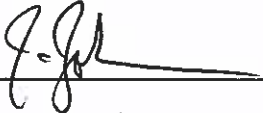
including, without limitation, consulting and counsel fees and the fees and expenses of conducting the hearing proceedings. Assessment of PUC's regulatory fees and expenses is authorized pursuant to 12 GCA §§12103(b) and 12125(b), and Rule 40 of the Rules of Practice and Procedure before the Public Utilities Commission.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

Order  
Approval for Amendment  
to the ECA with KEPCO for 198MW Power Plant  
GPA Docket 21-07  
February 25, 2021

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Dated this 25th day of February 2021.



Jeffrey C. Johnson  
Chairman

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Rowena E. Perez-Camacho  
Commissioner



Joseph M. McDonald  
Commissioner

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Michael A. Pangelinan  
Commissioner



Peter Montinola  
Commissioner



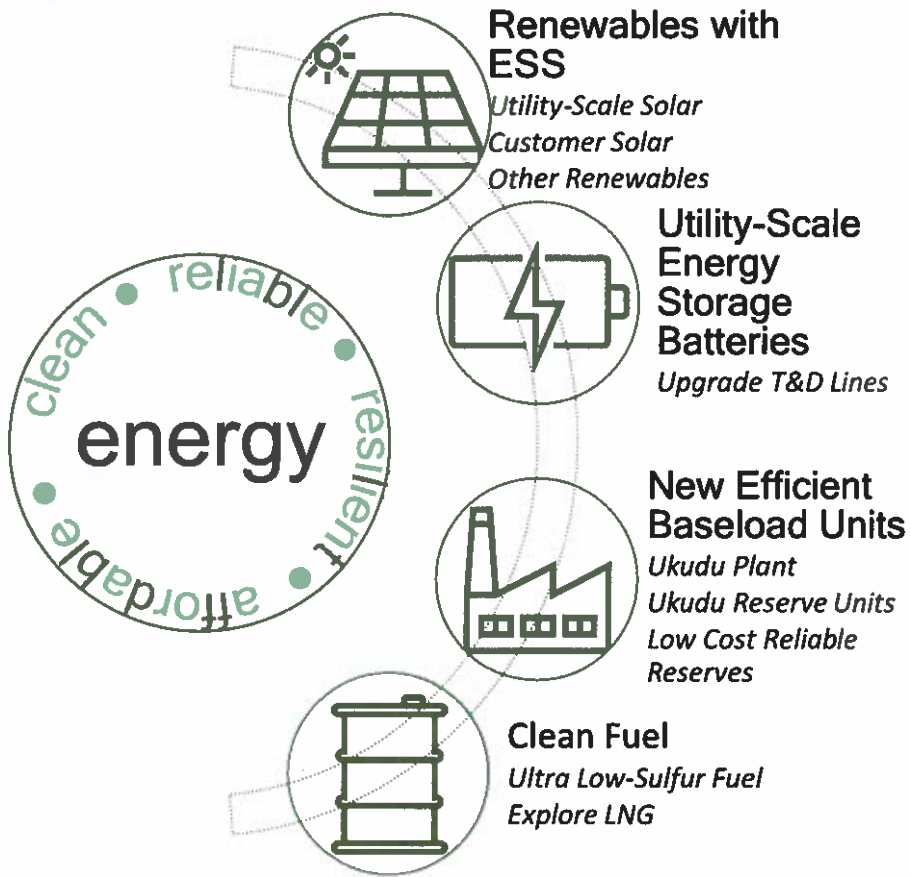
Doris Flores Brooks  
Commissioner



Pedro S.N. Guerrero  
Commissioner

# Guam's Roadmap to Clean, Reliable, Resilient, Affordable Energy

8



## 2025 PROJECTED ACHIEVEMENTS

 **25.30%**  
Renewable Energy Generation

**(49,152,752)** million  
gallons reduced oil imports 

 **COMPLIANCE**  
Consent Decree  
USEPA Air Quality Standards

**1,859x IMPROVEMENT**  
SO<sub>2</sub> emissions   
↓ **1 million**  
gallons reduced wastewater outfall

 **LOWER BILLS**  
Est. \$0.1162 LEAC gives ratepayers  
sustainable, affordable rates

## Ukudu Power Plant - Project Permitting

### ZONE VARIANCE FOR HEIGHT (Ukudu Primary Site)

- PL 34-102 **rezoned** the GPA-owned Ukudu lots **specifically for the construction and operation of a power plant.**
  - Some buildings, stacks, tanks, and other structures will exceed 30' height.
  - Department of Land Management required Guam Ukudu Power, LLC (GUP) to apply for a **zone variance for height.**
- Guam Hybrid Land Use Commission (GHLUC) granted GUP the variance on October 14, 2021, subject to ARC position statements
  - BSP position statement included requirements outside the scope and control of GUP including:
    - Placing 115kV transmission lines underground
    - Converting decommissioned transmission lines outside of this project to conservation easements or greenspaces
  - GUP and GPA representatives have discussed the unreasonable scope of the conditions directly with BSP Coastal Zone Management Program, resulting in BSP issuing a revised position statement.
- **The additional zone variance requirements, albeit debatable because of the legislative rezoning, delayed the timely acquisition of GovGuam building permits.**



### USE EXEMPTION (Cabras Reserve Site)

- The siting of 41MW of reserve standby generators is planned for GPA-owned lot adjacent to the old Navy Piti plants.
  - **Lots turned over to GPA by Military for Power Generation related use.**
- However, GPA is seeking an **exemption from PL 22-23** which restricts construction and operation of any fossil fuel generators over 1MW within 1,500 feet of a school.
  - The lot is within 1,500 feet of a school



## Bill 213-36 (COR) Exemption to Site New Reserve Units at GPA-Owned Cabras Property

20



GPA proposes siting the 41MW reserve units (a part of the new Ukudu power plant) adjacent to other existing power generating facilities to allow the main Ukudu power generators to operate under a minor source air permit, thus meeting the Consent Decree deadlines.

- The availability of existing fuel sources, major transmission lines and other power infrastructure makes this an ideal location for the reserve units.



- GUP lenders concerned and may not finance the new power plant project due to perceived legal issue:
  - Rios School approximately 1,000 feet from proposed 41MW Reserve Project causing concern about PL 22-23's 1,500-foot restriction
  - Department of Land Management has opined that the Cabras site was transferred to GPA and is unzoned Federal property turned over for power plant use by GPA. However, KEPCO concerned conflict between special use designation and PL 22-23 which may not make project financeable
  - GUP requires GPA to remedy
- GUP lenders require assurance that no cost lease of GPA land to GUP for purpose of construction Ukudu and Cabras Reserve Diesel is authorized by law and is requiring that legislation to address PL 22-23 include specific authorization
- PL 22-23 which restricts construction and operation of any fossil fuel generators over 1MW within 1,500 feet of a school.
- The subject lots are within 1,500 feet of Jose Rios Middle School, as are existing baseload plants Piti 8&9.
  - The school's potential impact from plant emissions occurred less than 3% of plant operations over the past 5 years (2016-2020).
  - The 41MW reserve units will consume burn ULSD and fuel consumption will be less than 10% of the existing Piti plants' consumption.
  - The plant will be permitted by GEPA and USEPA ensuring compliance with current and future ambient air standards.

Prepared for Gov. Leon Guerrero & Lt. Tenorio | January 10, 2022



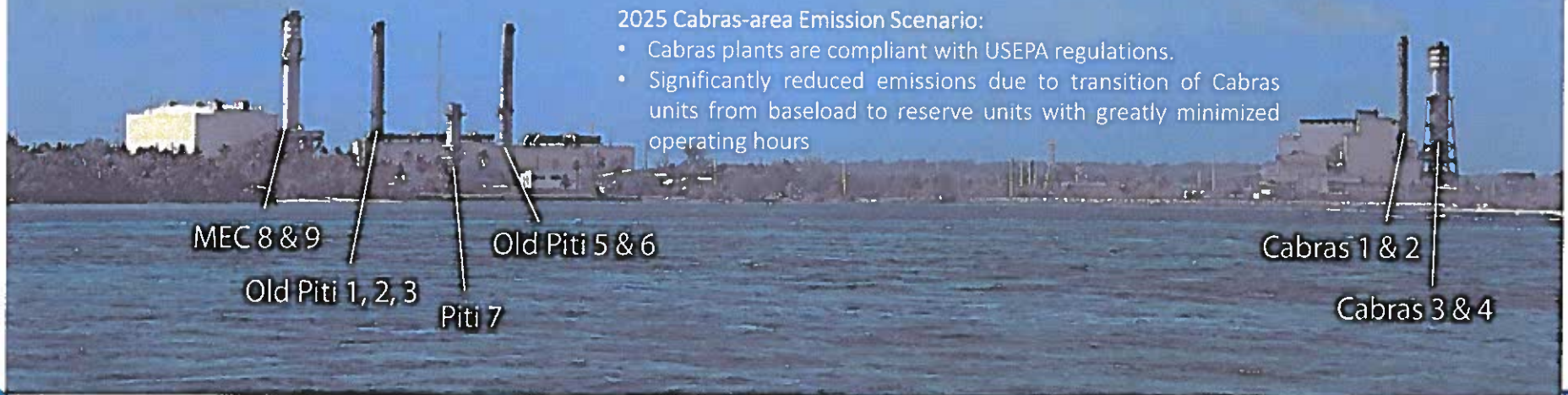


# Cabras 41MW Reserve Units Siting at Cabras

21

Cabras area properties transferred to GPA from Navy for power generation and related facilities

Scenario	CABRAS 1&2	PITI 8&9	PITI 7	NEW RESERVE UNITS
<b>Current</b>	HSRFO & LSRFO ~1M bbls/yr	HSRFO & LSRFO ~960k bbls/yr	ULSD	-
<b>Consent Decree Compliance</b>	Transition to 0.2% LSRFO by 31-Dec-2022 Retire late 2024	Transition to 0.0015% ULSD by 31-Jul-2022	<i>Compliant</i>	Constructed as Ukudu Plant reserve units, burning clean 0.0015% ULSD
<b>2025</b>	Retired	Reserve Unit ULSD	Reserve Unit ULSD	Reserve Unit ULSD



## PL 22-23 Promulgated to Address Macheche CT/JM Guerrero Radius

- Macheche CT constructed within 500 feet of JM Guerrero Elementary School in Harmon
- Plant initially burned 0.5%S Diesel
- Issue addressed by raising stack. Furthermore, GPA changed fuel to 0.0015%S ULSD. No issues since then.
- Macheche operates regularly to support intermittency and spinning reserve
- Basis for PL 22-23 limitation of 1,500 feet not found. It appears there is no scientific basis for limitation.
- Macheche is permitted by GEPA and has been operating on clean ULSD for years without any issues



1992  
Oct

1993  
Mar

1993  
Jun

1993  
Oct

1997  
Sep

2010  
Dec

2011  
Sep

• Air permit issued  
at 0.6% S fuel

• Plant  
commissioned

• PL 22-23 passed

• Stack extended to  
145'

• Air permit issued  
at 0.5%S fuel

• Dededo Sports  
Complex opens

• Switched to  
0.0015%S ULSD



Prepared for Gov. Leon Guerrero & Lt. Tenorio | January 10, 2022



## Improved Air Quality

23

### Juan M. Guerrero Elementary School

#### Macheche Power Plant

- Within 500 feet of JGES
- Within 500 feet of Dededo Sports complex
- Consistent, usual operations
- Uses ultra-low sulfur diesel (ULSD)

No adverse air quality issues



### Jose Rios Middle School

#### Piti Units 8 & 9

- Within 1,500 feet of JRMS
- Consistent, usual operations
  - **2025: Reduced operations**
- Uses residual fuel oil (RFO)
  - **2022: ULSD**

#### New Cabras Reserve Units

- Within 1,500 feet of JRMS
- Reserve operations
- Will use ULSD



Photo: Guam Pacific Daily News, July 28, 2021



## 212-36 (COR)

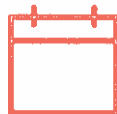
### *2012A Bond Refunding*

- Bill 212-36 will allow GPA to refund its 2012 Series A bonds at a lower interest rate, resulting in ratepayer savings.
- Market interest rates are at historic low levels.
- Upon passage into law, GPA will petition the PUC for approval.
- GPA will work with GEDA, bond underwriters and bond counsel on the refunding project.

## 213-36 (COR)

### *Exemption for Reserve Generators*

- Bill 213-36 will allow GPA to relocate a new reserve clean-fueled generator at Piti.
- GPA will retire costlier aging legacy power plants resulting in improved power system reliability and cost savings.
- The new power reserve unit will make our power system more reliable as we add more renewables.
- The Piti/Cabras area air quality will be substantially improved.



Public hearings on both bills is scheduled for January 20, 2022. We respectfully request for your support.

## AVOID: Federal Court Receivership, Rotating Blackouts, Higher Rates and Uninterested Investors!

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<u>Plant</u>	<u>Nameplate MW</u>	<u>CY 2022 Derated MW Capacity</u>	<u>1/5/2022 Actuals</u>	<u>CY 2025 with Ukudu</u>
Cabras 1	66	50	46	-
Cabras 2	66	50	42	-
Piti 8	44	42	43	42
Piti 9	44	42	42	42
Piti 7	40	33	26	33
Macheche CT	20	20	20	20
Yigo CT	20	20	20	20
Dededo CT1	20	20	16	20
Dededo CT2	20	20	20	20
Yigo Diesels	40	33	26	35
Tenjo Diesels	24	12	12	0
Talofofo Diesels	8	8	8	8
Pulantat Diesels	8	8	8	8
<b>Ukudu Combined Cycle</b>				<b>198</b>
<b>Ukudu Reserve Diesels</b>				<b>41</b>
<b>TOTAL</b>	<b>420</b>	<b>358</b>	<b>329</b>	<b>487</b>
<b>CY 2021 Peak MW Demand:</b>		<b>257</b>	<b>257</b>	<b>278</b>
Current Reserve		101	72	209
<b>MINIMUM RESERVE REQUIREMENT</b>				
<i>Largest Baseload on Overhaul</i>		-50	-46	-63
Reserve Balance (subtotal):		51	26	146
<i>2nd Largest Baseload on Forced Outage</i>		-50	-43	-63
<b>Reserve Balance:</b>		<b>1</b>	<b>-17</b>	<b>83</b>

### The New Ukudu Power Plant is Critical:

- ✓ **Comply with USEPA Regulations enforceable by Federal Government and by Federal court under the 2020 Consent Decree.**
- ✓ **To facilitate adding more renewables into the system and achieving 100% renewable energy by 2045.**
  - Plant provides low-cost reserve including during natural disasters and rainy days
- ✓ **To meet load growth including the military buildup and all ancillary civilian loads. Load growth is occurring including low-cost housing programs.**
  - If Ukudu plant does not proceed, a moratorium will be placed on future building projects
- ✓ **To retire aged conventional generation which are now 25 to 47 years old. 100% Renewables by 2045 is 23 years away.**

It takes many years to commission a power plant facility:

- Planning for new plant began in 2012.
- PUC approval obtained in 2016.
- Contract signed in 2019.
- Commissioning delayed until 2024.
- Investors not seeing Guam as good investment center

**Put fãbot ayuda-ham para i minaolek todù taotao Guam!**





Utilities & PMC Management

**RSU CONSULTANTS, LLC**  
**P.O. Box 21143**  
**Barrigada, Guam 96921**

**OFFICE Ph/Fax: 671-646-0172 Cell 671-482-0171**  
**email: rickpmc@teleguam.net**

January 18, 2022

Senator Clynton Ridgell  
Committee On Economic Development  
Agriculture, Power & Utilities

Ref: Bill no. 213-36

An act to add new §8819(a) to Chapter 8, title 12, GCA, Establishing an Exemption for construction of new 41 mw Cabras ULSD units on Lot 261 & 257, U.S. Navy Apra Harbor Reservation

Hafa Adai Senator Ridgell;

I am in favor of Bill no. 213-36 to ensure that the New Ukudu power plant be constructed using a minor source permit. Thus, the permitting process is cut down to accelerate the timeline for completion on the new 198 mw Ukudu power plant. The new power plant is scheduled to be placed in service by mid-2024.

I support Bill no. 213-36 due to the following:

1. I understand the concerns of the parents of students attending Jose Rios Middle School in Piti that the 41 mw generator is within the 1,500 ft. radius of the school. But, so is the existing baseload plants that has operated since the late 1990's. Correct me if I'm wrong but, I have not heard of any claims resulting from the close proximity of the power plant.

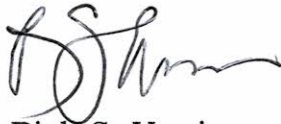
Furthermore, By the time this power plant is built, baseload units in Cabras will be retrofitted to the, Ultra low sulfur diesel (ULSD) fuel that is multiple times cleaner than the existing bunker fuels presently used. Thus, the clean air safety standards conform to USEPA.

2. The 41 mw plant is reserve generator that has minimal operating time and if needed, may be used to shave off peak loadings during the day. It is not intended to be operated continuously, but only as a standby generator should an unexpected loss of load incident occurs. The plant may also be placed online, during scheduled outages of other generators undergoing maintenance.

3. GPA needs this generator to be situated in the south not only for permitting advantages but also, to service the southern villages during power interruptions and system disturbances. The 41 mw power plant would strengthen the Southern villages' reliability and lessen line losses to the South.
4. In the event of an island-wide black out or during typhoon restoration, this 41 mw generator would serve as a black start to provide power to the baseload generators in the Cabras areas and to serve the residents of the South.

In closing, I am asking the Legislature to pass bill no. 213-36. We do not want the old adage that the South is the "last to rise" after typhoons as experienced decades ago.

Si Yu'os Ma'ase',



Rick S. Unpingco,  
Managing Director



Clynt Ridgell <clyntridgell@guamlegislature.org>

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## Please Yes on Bill 212-36 and 213-36

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**Robert Hofmann** <guammayor@gmail.com>

Mon, Dec 27, 2021 at 4:51 PM

To: customersfirst@gpagwa.com, senatormunabarnes@guamlegislature.org, senatortcnelson@guamlegislature.org, officeofsenatorshelton@guamlegislature.org, office@senatorjoannebrown.com, "Sen. Joe SA" <senatorjoessanagustin@gmail.com>, Speaker Tina Muña Barnes <speaker@guamlegislature.org>, clyntridgell@guamlegislature.org, senatorpedo@senatorjpterlaje.com, office@senatorperez.org, "Office of Senator Frank Blas, Jr." <office@senatorfrankblas.com>, senatorvanthonyada@gmail.com, Senator Telo Taitague <senatortelot@gmail.com>, officeofsenatormoylan@guamlegislature.org, senatormary@guamlegislature.org, senatorchrisduenas@gmail.com

I Support GPA!

Hafa Adai Senators!

Please let's work together to find a solution. Let's lead the way to an earth friendly, reliable, modern system which is stable and less costly to run. I am certain you've seen the rise in your own home's power bills. I know I have done all that I can to reduce my power consumption in my household of 5 and the current LEAC rates just cost us ratepayers too much. I hope we can work together for a common goal which will benefit the island's working families.

Happy New Year!

Thank you,

Robert Hofmann  
Mayor and Sinajana GPA customer.





Save Southern Guam, Inc., is a grassroots organization committed to responsible development. We support the effort of Micronesia Climate Change Alliance to prevent the construction of a new power plant in Piti for the following reasons:

1. The Guam Power Authority seeks to build a 41 megawatt plant in Piti about 1200 feet away from Jose Rios Middle School. According to Guam public law: *12 GCA Ch 8, § 8119: No Generators Near Schools. No power generation facility, with a capacity in excess of one (1) megawatt and utilizing fossil fuels, may be constructed within one thousand five hundred feet (1,500') of a school. SOURCE: Added by P.L. 22-023:5 (6/22/93).*
2. GPA did not specify the type of emission source classification in its bid proposal for the new 198 megawatt Ukudu power plant, because it presumed that the bidder would seek a minor source permitting process. This did not happen because the company that was formed by the KEPCO/KEWP consortium to build the power plant, Guam Ukudu Power, LLC, chose instead to pursue a major source permitting process. This led to the confounding permitting issues that appear to have forced the agency to propose building a new plant in Piti, thereby potentially circumventing a Guam law that is intended to protect the health and safety of the community. Further, these issues demonstrate costly failures in planning and communication between GPA and KEPCO/KEWP that frankly erode our trust in GPA.
3. With the building of the new Ukudu power plant, GPA had planned to retire Cabras 1 and 2, and replace 3 and 4. Construction of the new diesel-powered plant in Piti, in the same coastal location as the old power plant, makes it vulnerable to storm surges, tsunamis, sea level rise and other climate change impacts - major issues that the new Ukudu plant was supposed to avoid.

Sources:

Guam Code Annotated, *12 GCA Ch 8, § 8119*,  
<http://www.guamsupremecourt.com/Search/Search.html>

Guam PDN, July 28, 2021, *GPA: Middle school might be too close to new power plant site*  
[https://www.guampdn.com/money/gpa-middle-school-might-be-too-close-to-new-power-plant-site/article\\_91eceb98-ef66-11eb-9ca2-5be6b6dfa392.html](https://www.guampdn.com/money/gpa-middle-school-might-be-too-close-to-new-power-plant-site/article_91eceb98-ef66-11eb-9ca2-5be6b6dfa392.html)

Guam Daily Post, October 28, 2021. *Despite changes to power plant deal, public auditor says he can't intervene*  
[https://www.postguam.com/news/local/despite-changes-to-power-plant-deal-public-auditor-says-he-cant-intervene/article\\_19224556-3619-11ec-bdc8-57d0bcf3f4d0](https://www.postguam.com/news/local/despite-changes-to-power-plant-deal-public-auditor-says-he-cant-intervene/article_19224556-3619-11ec-bdc8-57d0bcf3f4d0)

Guam Daily Post, January 25, 2021. *Delay on Ukudu plant could cost GPA \$14M*  
[https://www.postguam.com/news/local/delay-on-ukudu-plant-could-cost-gpa-14m/article\\_9181ecb4-5c84-11eb-9962-abe975ed91e1.html](https://www.postguam.com/news/local/delay-on-ukudu-plant-could-cost-gpa-14m/article_9181ecb4-5c84-11eb-9962-abe975ed91e1.html)

GPA website, New power plant project.  
[https://guampowerauthority.com/gpa\\_authority/about/gpa\\_gpa\\_180\\_power\\_plant.php](https://guampowerauthority.com/gpa_authority/about/gpa_gpa_180_power_plant.php)

Lasia Casil, Chairwoman, Save Southern Guam, Inc.



Erin M. Grajek <egrajek@guamlegislature.org>

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## ZOOM LINK - Virtual Public Hearing: January 20, 2022

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Sedfrey Linsangan <sedl@teleguam.net>

Fri, Jan 21, 2022 at 4:22 PM

To: "Erin M. Grajek" <egrajek@guamlegislature.org>

On 2022-01-18 09:17, Erin M. Grajek wrote:

[Quoted text hidden]

Hi Erin,

Energy Conversion Agreement was signed by GPA and KEPCO on Oct. 30, 2019. But up to now , after 2 years and 3 months they are still talking about the major source and minor source permit. If KEPCO complied with the requirements for major source , it's should already been done . It will take 1 1/2 year to get the permit for major source permit.

Why do we have to pay \$ 4.25 million per year for 25 years to KEPCO if the standby power plant is built in Cabras, Piti since the contract is 65 MW standby power plant in UKUDU without paying any expenses to KEPCO since it is part of the contract. If the 41 MW is built somewhere , ratepayers should not be paying anything to KEPCO and should be reimbursed for the 24 MW reduction.

GPA did not make any study to justify the Cabras location for the 41 MW location. The study will determine other locations for the 41 MW. There is always an alternative if an independent study will be made.

Solution here is stick with the Energy Conversion Agreement since only 11/2 year or less to comply with the major source permit. That can be understand by the USEPA and the Consent Decree since the cause of delay is the contractor. If GPA and KEPCO will not agree then there is bigger issue than the permitting process.



January 27 2022

Buenas Chairman Ridgell and Senators of Liheslaturan Guahan

I respectfully submit my testimony in support of the prompt passage of Bills 212 and 213. These two bills will help produce significant ratepayer savings in order to lower power bills 20%-30% over the next few years,

**Bill 212 will allow for the refinancing of 2012 GPA debt to lower ratepayer interest payments by an estimated \$15M per year. Bill 213 will help lower power bills sooner by speeding up the permitting for the new Ukudu power complex while also insuring system reliability, especially for our southern residents.**

The new Ukudu power complex will reduce our use of fossil fuels for Guam's energy needs by over 1 million barrels annually, saving an estimated \$80M to \$100M per year for our ratepayers in avoided fuel costs. Fuel costs account for an average of 2/3 of our power bills.

The combination of significantly reduced fuel costs and reduced debt costs pay for the new Ukudu generation complex while still reducing ratepayer power bills by 18% by 2025 when the new generation complex and new utility scale solar farms already contracted for come on line.

The Ukudu complex also sets the stage for even further reductions in power bills through the addition of 300 MW more of mostly utility scale solar by 2030. By 2030, 50% of our power will come from solar energy instead of oil, lowering power bills even further. The remaining Cabras 1 and 2 power plants will not allow us to add more solar generation and they burn much more oil than the new Ukudu complex. They must be retired.

The Ukudu complex will also help us comply with US Clean Air standards by reducing existing harmful air emissions by 99.4%, benefiting our entire island and especially the residents of Piti and those who work around the Cabras/Commercial Port area.

**The faster the Ukudu power complex comes on line, the faster power bills will drop and the sooner our air quality will significantly improve.**

At last week's hearing, GPA GM John Benavente presented in great detail how all these pieces fit together. The USEPA, the ratepayers on the independent PUC that the Legislature confirmed, and the elected ratepayer representatives on the CCU have reviewed the plans provided by the experienced professionals at GPA in great detail to reach the same conclusions:

**Bill 212: Refinancing GPA debt now will lower ratepayer costs**

The Federal Reserve has already indicated that Interest rates will rise in 2022, reducing potential ratepayer savings from currently lower interest rates. Time is of the essence to reduce ratepayer interest before interest rates are raised by the Federal Reserve Bank. Bill 212 must be passed now.

NPV: saving a minimum of 2% NPV when re-financing public debt has been the wise Legislative standard from the past thirty years. The same NPV standard was used to approve refinancing for savings

last year by this Liheslaturan for GovGuam and autonomous agency debt. GPA ratepayers deserve the same opportunity to lower their debt payments so GPA can further lower their power bill.

When Senator Ridgell asked during the hearing “What is Net Present Value (NPV)?”, I became concerned that his lack of understanding and inexperience with public finance threatened rate payer savings. I also became concerned when he suggested possibly adding other standards or restrictions to the requested re-financing.

NPV measures the value of the flow of payments or savings over time, in today’s dollars, so that different financing strategies can evaluate savings and costs to ratepayers. NPV recognizes the reality that a dollar saved today is worth more than a dollar saved ten years from now due to inflation and lost opportunity costs for the savings if taken earlier. Similarly, a cost incurred ten years from now costs ratepayers less than a cost incurred today. NPV analysis is one of many tools used to determine the best time to take savings, depending on the needs of ratepayers and the utility debt profile.

Our understanding of GPA’s debt profile clearly shows it’s better to take ratepayer savings now rather than later for two reasons:

- 1) Savings incurred now are worth more to ratepayers now than savings taken later. Our ratepayers need relief now, not later
- 2) In the 2030’s, other GPA debt will be paid off, freeing up debt service that can pay from the delayed higher debt service of a re-financing without having to raise base rates. Debt service impacts on ratepayers are “smoothed out” over time instead of rising in later years by delaying new debt costs until other older debt is paid off. This is basic public finance economics that benefit the borrowers: us ratepayers. One reason the base rate (non-fuel portion of the bill) has remained essentially unchanged since 2014 is because of the wise and timely use of refinancing savings by CCU/GPA/PUC.

GPA, GEDA, the CCU and the PUC have extensive experience in issuing and refinancing public debt. I worked on Guam’s first bond in 1981 when my first post graduate job took me to GEDA, beginning 40 years of personal experience with public finance on Guam. For the past 40 years, The Legislature has wisely allowed these subject matter experts they created to establish the timing of when savings are taken in order to keep rates/taxes low and steady by smoothing out interest rate impacts

Please do not impose any more standards other than the long-standing minimum 2% NPV on GPA’s debt refinancing opportunity. The Legislature cannot predict market conditions that will apply when we go to market and it risks losing rate payer savings by limiting the flexibility of GPA/CCU/PUC to maximize savings for ratepayers when the new bonds are issued.

Let us not forget the poor decisions imposed upon our ratepayers by a previous Senator in the 1980’s that prevented GPA from being able to pay its debt and caused load shedding. This led to a bond default and a Congressional bailout and the requirement by the US Congress that the Legislature get out of the rate setting business and be replaced by an independent citizen-based PUC.

**Bill 213 will speed up and increase ratepayer savings and the 99% reduction of harmful emissions if GPA is granted a 250-foot exemption to current law that prohibits new generation to be placed within 1500 feet of a school.**

Ratepayer savings will occur faster by allowing GPA to relocate a small portion of the Ukudu power complex in Cabras. By splitting up the Ukudu power complex, our private partner and GPA can pursue the faster permitting process required by USEPA. To paraphrase an old saying, “savings delayed is savings lost” for our ratepayers.

Furthermore, the 41 MW back up gen will run only 3% of the time, replacing the fuel inefficient and emissions spewing Cabras baseload plants that run all the time. And since we already have land and infrastructure there, costs to operate the 41 MW will be lower. This move contributes to lowering harmful air emissions, especially in the Piti/Cabras area where many live and work. The technology and fuel being used for this 41 MW are identical to the small generator next to JM San Miguel school in Dededo, which has been operating for years without any adverse impacts and with the acknowledgement of USEPA.

Moving 41 MW to Cabras also improves service and reliability for our southern ratepayers. We now will have a dedicated power facility to serve the South in times of emergency, while still benefiting the whole island with reliable fuel efficient back up generation. And the relocation of these assets doesn’t change the lowest cost bid price for the entire Ukudu power complex.

**For 250 feet, we can help lower power bills faster, improve reliability to the South and protect our air environment better for Piti, Cabras and the entire island.**

At last week’s hearing, Senator Brown remembered what she had to do to help John Benavente and GPA end load shedding thirty years ago. PUC ALJ Horecky further reminded us of what an unmitigated “disaster” it was for our ratepayers to be held hostage by a single Senator who thought he knew better than the experts. Senator San Agustin understands the savings from the re-financing and the relocation of power assets which is why he sponsored the bills after Senator Ridgell declined.

Let’s learn from our history so we don’t repeat the mistakes of the past that we have worked so hard to overcome.

**Without the support of the Legislature and Governor for Bills 212 and 213, the savings and environmental benefits to ratepayers are at risk to be lost or delayed**

**Action is needed now to re-finance GPA debt before interest rise by passing Bill 212 before the Fed raises interest rates**

**Action is need now to speed up ratepayer savings so that the new Ukudu complex can be permitted faster and come on line sooner.**

Let's continue to work together on behalf of our ratepayers. I know all of our Senators want to lower power bills and protect our air quality. Bills 212 and 213 are yet another piece of the puzzle...another step on the road to progress....

Please pass Bills 212 and 213 now so we can lower power bills and improve our environment sooner rather than later.

Senseramente'

A handwritten signature in black ink, appearing to read "Simon A. Sanchez II". The signature is fluid and cursive, with a large initial "S" and a stylized "II" at the end.

Simon A Sanchez II

Ratepayer, elected CCU member, former Senator, original PUC member

**The following constituents submitted the form letter below relative to Bill No. 213-36 (COR) via Micronesia Climate Change Alliance and the Action Network:**

*Senator Clynton Ridgell,*

*I am writing to respectfully ask that you vote no on Bill 213-36.*

*Diesel is the most costly energy source. We have experienced that costs are passed on to the rate payers.*

*It is non-renewable and emits greenhouse gasses contrary to what the bill claims as "clean energy". This power plant will derail Guam's track to be 100% renewable by 2045.*

*The US EPA has reported that "fuel-burning power plants create emissions that can lead to asthma and heart problems. It will create toxic air pollution especially for the students attending Jose Rios Middle School. Our children deserve to learn and play in a toxic-free healthy environment.*

*Now is not the time to double down on fossil fuels. I ask that you consider the long-term impacts over the short-sighted benefits of building a new diesel power plant. I humbly and respectfully urge the members of i Mina'trentai Sais Na Liheslaturan Guåhan to fight to protect and preserve the lands and people and strike down this bill.*

Czeska Cabuhat	
Lianne Sutton	
Jeffery Abraham	
Sigrid Holts	
Joanie Leon Guerrero	
Amberly Parnell	
Caley Harris	
Jeff Harris	
Robin Sylvester	
Annie Nardolilli	
Vianni Ledesma	
Debbie Wang	
Jay Jones	
Samantha Olvera	
Alicia Dart	
Sofia Maciel	
Mia Murray	
Rosa Bordallo	
Shanelle Cabuhat	
Valerie King	
Elise Flores	

Lianna Santos	
Michelle Voacolo	
Richard Lund	
Christopher Leon Guerrero	
Riley Taitingfong	
Dorothy Perez	
Christian San Nicolas	
Emily McMath	
Chauntae Quichocho	
Maase De Oro	
Clarissa White	
Vanessa Story	
Shalina-Iona Borja	
Christine Matanane	
Beverly Bautista	
Chelsea Manibusan	
Mariquita Davis	
Camille Facun	
Amanda Palomo	<i>"As an indigenous chamoru woman it is imperative that our island be preserved for future generations. The environmental assault on our island needs to be accounted for. We need to place more value in the land and stop investing in non</i>
Joyce Wagner	<i>"Though I am currently living in the continental US, I was born on Guam and still consider it my home."</i>
Kyra Blas	
Alice Matthews	
Aelah Genevieve	

**The following constituents submitted the form letter below relative to Bill No. 213-36 (COR) via Micronesia Climate Change Alliance and the Action Network:**

*Senator Clynton Ridgell,*

*The energy transition needed in the years to come provides the opportunity of creating good jobs working on safe, renewable infrastructure - and the chance for energy to be locally generated, owned, and controlled. Moving away from a centralized, corporate-controlled grid poses the chance to actually increase the resiliency of delivering and accessing electricity, and making sure every home has consistent power.*

*Don't allow another toxic facility to hold power over people while poisoning children. Please do not let this pass.*

*I ask instead that you take this moment to find the courage to choose people, choose health, choose community, choose a livable future.*

*Please send me information to participate in the Virtual Public Hearing on Thursday Jan 20, 2022 at 9am.*

Kyle Dahilig	
Mike Dunhill Cabuhat	
Kayle Tydingco	
Ariana De Los Reyes	
Adam Cooper	
Sarah Silvani	
Brianna Duenas	
Michelle Mallari	
Jaidan Lujan	
Christy Naputi	
Sandra Achivida	
Loisa Cabuhat	
Eira Kien	
Connor Franklin Rey	
Clarissa Torres	
Chelsey Cruz	
Nelisa Brel	
Kirsten Rosario	
Roshelle Eligio	
Aaron Robles	
Vinessa Duenas	
Hila'an San Nicolas	
Jonathan Borja	
Thomas Santos Jonathan Borja	



Summer Quitugua Jesus Lujan Ariya Limtiaco	
David Taitingfong	<p><i>"Fanhahassu put i famagu'on-ta yan i mañaina-ta. Mungnga fanmaleffa nai: "hu ufresen maisa yu' para bai hu prutehi yan hu difende...i AIRE, i HANOM, yan i tano' Chamoru!" These plants may bring immediate positives for select individuals, but the damage it will cause to our families and land and water will be around much, much longer.</i></p> <p><i>I am a diasporic Chamoru; sumåsaga yu' gi sanlågu, giya San Diego, California. I know from first-hand experience that being that close to facilities that spew and exude toxic chemicals contribute to lifelong diseases such as asthma; that the by-products they produce WILL ABSOLUTELY eventually leak into the waters - the waters that people swim in, that they fish in, that will find its way into the water you eventually drink."</i></p>
Gillian Andrade	<i>"Guam has been my home for all my life, and even though I live</i>
	<i>stateside now, it's saddening to see this being considered</i>
	<i>without thought of our waters and island. Please, please, please</i>
	<i>do not go forward with this and protect our island!</i>
Mariana Torres	

**The following constituents submitted the form letter below relative to Bill No. 213-36 (COR) via Micronesia Climate Change Alliance and the Action Network:**

*Senator Clynton Ridgell,*

*An investment in fossil fuel infrastructure today is not viable in the context of a sustainable future - not for people, planet, or budget.*

*Allowing the expansion of fossil fuel infrastructure, especially in the vicinity of a school, is a direct affront and act of chronic violence to a community's health, safety, and wellbeing in both the short and long term.*

*A yes on Bill 213-36 will directly pollute the air people breathe, take away from spending that could improve lives rather than shorten them, be a large sunk cost with no return on investment in a renewable future, and exacerbate the problem of trying to manage climate change.*

*Please vote no on Bill 213-36.*

*Please send me information to participate in the Virtual Public Hearing on Thursday Jan 20, 2022 at 9am.*

Alex Han	
Daniel Chavez	
Ferenzci Cabuhat	
Royce Camacho	
Cecilia Gogue	
Victoria Larraway	
Joe Rosario	
Joepei Bolano	
Jacqueline Losongco	
Leody Ers	
Eileen Meno	
Frencin Cabuhat	
Vangie Ersando	
Jonita Ovalles-Pecjo	
Ruth No	
Daniel Cespedes	
Edline Geslicki	
Maria Calori	<i>"Put fabot, vot no on Bill 213-36. I do not support this bill because I am a resident of Piti and live near the proposed power plant site. I am very concerned about my health and my family's health as we would be exposed to toxic fumes coming from the plant. My children play outside with their friends in the neighborhood. Jose Rios Middle School is the school district for my children as well. If we live</i>

	<p><i>and go to school in this area, we are CONSTANTLY at risk of exposure.</i></p> <p><i>I appreciate the effort to create a more efficient power plant but I believe these plans are already outdated. Guam needs more sustainable options for energy. This power plant would be an investment in the past and not the future, the health of our people or our environment."</i></p>
Cara Singson	<p><i>As a Chamorro person, I am deeply invested in the safety of the communities living on Guam as well as the preservation of its natural land. An investment in fossil fuel infrastructure today is not viable in the context of a sustainable future - not for people, planet, or budget.</i></p>
Rosary Reyes	
Esther Raposa	



# *I Mina'trentai Tres na Kongresson Manhoben Guåhan*

33rd Guam Youth Congress

Speaker Stephanie F. L. Lorenzo, Speaker, Municipality of Barrigada

***Diha Bente Siette gi Ineru, Dos Mit Bente Dos na Sâkkan***

**January 27, 2022**

**To:** Hon. Lourdes A. Leon Guerrero, *I Maga'hågan Guåhan*

Hon. Joshua F. Tenorio, *I Sigundo Maga'låhen Guåhan*

Hon. Therese M. Terlaje, Speaker, *I Mina'trentai Sais na Liheslaturan Guåhan*

Hon. Clynton E. Ridgell, Senator, *I Mina'trentai Sais na Liheslaturan Guåhan*

Hon. Joe S. San Agustin, Senator, *I Mina'trentai Sais na Liheslaturan Guåhan*

Hon. Amanda L. Shelton, Senator, *I Mina'trentai Sais na Liheslaturan Guåhan*

Hon. Jesse L. G. Alig, President, *Konselehon Mahot Guåhan*

Hon. Leevin T. Camacho, Attorney General of Guam

John Benavente, General Manager, *Aturidåt Ilektrisedåt Guåhan*

*Buenas yan Håfa adai,*

*I Mina'trentai Tres na Kongresson Manhoben Guåhan* hereby transmits **Resolution No. 15-33 (COR)**, as unanimously passed by the Guam Youth Congress, "Relative to expressing *I Mina'trentai Tres na Kongresson Manhoben Guåhan*'s opposition to Bill 213-36, titled "AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION," and expressing concern over Guam Power Authority's renewable energy plan."

*I Mina'trentai Tres na Kongresson Manhoben Guåhan* further submits **Resolution No. 15-33 (COR)** as official testimony on behalf of the Youth of Guam for **Bill No. 213-36 (COR)**.

Please contact me at [youthcongressguam@gmail.com](mailto:youthcongressguam@gmail.com) if you have any questions.

*si Yu'os ma'åse'.*

  
**Stephanie F. L. Lorenzo**

Speaker, *I Mina'trentai Tres na Kongresson Manhoben Guåhan*

Enclosure (1)

***I MINA'TRENTAI TRES NA KONGRESSON MANHOBEN GUÅHAN***  
**2022 (THIRD) Regular Session**

**Resolution No. 15-33 (COR)**

**As introduced**

Introduced by:

Kyle Anthony Gatdula Dahilig

Anica B. Camacho

Jin Chung

Jaden Comon

Noel-Brandon Degracia

Nolan G. T. Flores

Megan Franchino

Alexander Gayle

Al Edrich C. Labang

Jhem Ann B. Lagman

Chloe M. Lizama

Stephanie F. L. Lorenzo

Matthew M. Makepeace

Valina M. Matanane

Jenae Therese Pereda

Chauntae Aliyah Quichocho

Aubrey O. Rosario

Angelysa Ulloa

Nico Matthew S. Valencia

Nehemiah Villanueva

Mark Wang

Kiana Joy Yabut

**Relative to expressing *I Mina'trentai Tres na Kongresson Manhoben Guåhan's* opposition to Bill 213-36, titled "AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW**

**SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION,” and expressing concern over Guam Power Authority’s renewable energy plan.**

**BE IT RESOLVED BY *I KONGRESSON MANHOBEN GUÅHAN*:**

**WHEREAS**, on October 12, 2021, Senator Joe S. San Agustin introduced Bill 213-36, “AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION”; and

**WHEREAS**, *I Kongresson Manhoben Guåhan* finds that the proposed construction for Guam Power Authority’s (GPA) 41 MW diesel power plant is located in Cabras industrial area on Lot 261; and

**WHEREAS**, the proposed construction area on Lot 261 is within 1,200 feet of Jose Rios Middle School; and

**WHEREAS**, an exemption is needed for the construction on Lot 261, as §8819 provides that “no power generation facility, with a capacity in excess of one (1) Megawatt and utilizing fossil fuels, may be constructed within One Thousand Five (1,500) feet of a school”; and

**WHEREAS**, according to the U.S. Environmental Protection Agency’s website, “Burning fossil fuels at power plants creates emissions that can lead to respiratory and cardiovascular problems, and exposure to mercury can increase the possibility of health issues ranging from cancer to immune system damage”; and

**WHEREAS**, *I Kongresson Manhoben Guåhan* is concerned with the environmental and public health impacts that Guam Power Authority, Samsung

1 E&C America Inc. and KEPCO Mangilao Solar LLC, is responsible for by the  
2 construction of the new fossil fuel power plant near a learning institution and the  
3 surrounding environment; and

4 **WHEREAS**, Public Law 35-46 allows the Guam Power Authority to  
5 establish a portfolio goal of 100% renewable energy by 2045; and

6 **WHEREAS**, part of Guam Power Authority's renewable energy plan is the  
7 creation of a 60-megawatt solar panel farm; and

8 **WHEREAS**, earlier this year, Guam EPA has issued a notice of violation to  
9 the project contractor, Samsung E&C America Inc., for violating provisions of the  
10 Guam Soil Erosion and Sediment Control Regulations ; and

11 **WHEREAS**, the Guam Attorney General's Office has sued the developer of  
12 a 60-megawatt solar farm and its construction contractor, alleging they failed to  
13 follow requirements for erosion control and caused damage to a Guam underground  
14 drinking water source in Sasayan Valley and to historic Marbo Cave; and

15 **WHEREAS**, an inspection was completed nearby Marbo Cave at a freshwater  
16 cavern that serves as a hiking destination and tourist attraction, where officials  
17 observed that the path down into the cave had been obliterated, likely due to  
18 stormwater surges from the project site; and

19 **WHEREAS**, officials confirmed that approved erosion and sediment controls  
20 at the solar farm were not fully installed and other such measures were in the process  
21 of being installed despite construction being well underway; and

22 **WHEREAS**, Samsung E&C America Inc. is the contractor for the solar panel  
23 plant and the solar plant is owned by KEPCO Mangilao Solar LLC; and

24 **RESOLVED**, that *I Mina'trentai Tres na Kongresson Manhoben Guåhan*  
25 opposes this new fossil fuel power plant nearby Jose Rios Middle School; and

26 **RESOLVED**, that *I Mina'trentai Tres na Kongresson Manhoben Guåhan*  
27 calls for the reintroduction of Bill 219-35, which would allow public, charter and



1 collegiate institutions to serve “as properties eligible for installation of solar panels  
2 to aid in attaining a lower cost for cleaner electricity production...and to provide  
3 strengthened legislation to purchase or lease-back renewable energy”; and

4 **RESOLVED**, that *I Mina'trentai Tres na Kongresson Manhoben Guåhan*  
5 expresses concern with the environmental and public health impacts that Guam  
6 Power Authority, Samsung E&C America and KEPCO Mangilao Solar LLC, are  
7 responsible for in Sasayan Valley and the historic Marbo Cave ; and be it further

8 **RESOLVED**, that the Speaker and the Committee on Rules certify, and the  
9 Legislative Secretary attest to, the adoption hereof, and that copies of the same be  
10 thereafter transmitted to John Benavente, General Manager of the Guam Power  
11 Authority; to Jon Fernandez, Superintendent of the Guam Department of Education;  
12 to the Honorable Attorney General Leevin T. Camacho; to the Honorable Jesse L.G.  
13 Alig, President, *Konselehon Mahot Guåhan*; to the Honorable Amanda L. Shelton,  
14 Senator, Legislative Secretary, and Chairperson of the Committee on Air  
15 Transportation, Parks, Tourism, Higher Education, and the Advancement of  
16 Women, Youth, and Senior Citizens, *I Mina'trentai Sais na Liheslaturan Guåhan*;  
17 to the Honorable Joe S. San Agustin, Senator and Chairperson of the Committee on  
18 Government Operations, Appropriations, Housing, and Office of Finance and  
19 Budget, *I Mina'trentai Sais na Liheslaturan Guåhan*; to the Honorable Clynton E.  
20 Ridgell, Senator, and Chairperson of the Committee on Economic Development,  
21 Agriculture, Power and Energy Utilities, and the Arts, *I Mina'trentai Sais na*  
22 *Liheslaturan Guåhan*; to the Honorable Therese M. Terlaje, Speaker and  
23 Chairperson of the Committee on Health, Land, Justice, and Culture, *I Mina'trentai*  
24 *Sais na Liheslaturan Guåhan*; to the Honorable Joshua F. Tenorio, *I Sigundo*  
25 *Maga'låhen Guåhan*; and to the Honorable Lourdes A. Leon Guerrero, *I*  
26 *Maga'hågan Guåhan*.

**DULY AND REGULARLY ADOPTED BY *I MINA'TRENTAI TRES NA KONGRESSON MANHOBEN GUÅHAN* ON THE 22nd DAY OF JANUARY 2022.**

A handwritten signature in cursive script, reading "Stephanie Lorenzo", written over a horizontal line.

**Stephanie F. L. Lorenzo**

**Speaker**

A handwritten signature in cursive script, reading "Kiana Joy Yabut", written over a horizontal line.

**Kiana Joy Yabut**

**Legislative Secretary**



**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities,  
and the Arts*

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## COMMITTEE REPORT DIGEST

### I. OVERVIEW

Bill No. 213-36 (COR) was introduced on **October 12th, 2021** by **Senator Joe S. San Agustin** and was subsequently referred by the Committee on Rules to the Committee on Environment, Revenue and Taxation, Labor, Procurement, and Statistics, Research, and Planning on October 18, 2021 and was re-referred by the Committee on Rules to the Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts on **October 26<sup>th</sup>, 2021**.

The Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts convened a virtual public hearing on Bill No. 213-36 (COR) on **Thursday, January 20, 2022** at **9:00 am** via Zoom Video Conference.

#### **Public Notice Requirements**

Public Hearing notices were disseminated via email to all senators and all main media broadcasting outlets on **Wednesday, January 12, 2022** (5-Day Notice) and again on **Wednesday, January 18, 2021** (48-Hour Notice).

#### **Senators Present**

Senator Clynton E. Ridgell, Chairperson  
Senator Joe S. San Agustin, Sponsor  
Senator James C. Moylan  
Senator V. Anthony Ada  
Senator Amanda L. Shelton  
Senator Telena Cruz Nelson  
Senator Christopher M. Duenas  
Senator Telo T. Taitague  
Speaker Therese M. Terlaje  
Senator Mary Camacho Torres  
Senator Joanne M. Brown

#### **Written Testimonies and Communications Received from the Following Stakeholders:**

Yamashita, Aline  
McDaniel, Antoinette Charfauros  
White, Clarissa  
Montellano, Corazon  
Benavente, John – General Manager, Guam Power Authority  
Moore, James  
Won Pat, Judith  
Chargualaf, Kenneth P.  
Dahilig, Kyle  
San Nicolas, Lourdes  
DeOro, Maase

Alig, Jesse – Mayor of Piti  
Chargualaf, Anthony – Mayor of Inarajan  
Organizations Against Bill 213-36  
Montinola, Peter – Acting Chairman, Guam Public Utilities Commission  
Unpingco, Rick S. – Managing Director, RSV Consultants LLC  
Hoffman, Robert – Mayor of Sinajana  
Casil, Lasia – Save Southern Guam  
Linsangan, Sedfrey  
Sanchez II, Simon – Consolidated Commission on Utilities  
Guam Youth Congress

## **II. SUMMARY OF TESTIMONY & DISCUSSION**

The Public Hearing was Called to Order at **9:00 am.**

**Senator Clynton E. Ridgell, Chairman – Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts:** Good morning this virtual public hearing conducted by the Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts is called to order. It is 9 00 a.m., notice of the hearing was disseminated to all local media outlets on January 12th of 2022 with the second notice provided on January 18th of 2022. Notice of the hearing was also made known on the Guam Legislature’s website.

This morning the committee will hear testimony on Bill number 213-36 (COR) An Act to Add a New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation, introduced by Senator Joe S. San Agustin.

Upon conclusion of Bill No. 213-36 (COR), we will take a 5-minute recess before we hear testimony on Bill No. 212-36 (COR), An Act to Approve the Terms and Conditions of Guam Power Authority Revenue Bonds to Refund Outstanding Guam Power Authority Revenue Bonds, introduced by Senator Joe S. San Agustin.

Before we proceed with hearing testimonies, I would like to provide the panel of participants with some general rules of conduct for this virtual public hearing.

All participants must abide by the rules of conduct and quality assurance standards including:

1. The Chair will invite individuals who have signed up to testify.
2. Individuals testifying shall first be recognized by the Chair before speaking and shall state their name, title, and organization for record purposes.
3. Please ensure that you are unmuted and that you are speaking clearly into your microphone.

4. For group settings where more than one individual is present, please state your name before providing comment.
5. From among the panel of senators, each member will be allowed to pose one question to an individual testifying for one round and be provided another round if necessary.
6. Questions and testimony shall be confirmed to the substance or nature of the agenda.
7. Personal inference to the character or motive of any senator or any individual testifying is not permitted.
8. Any violations of this rule of conduct will result in removal from the meeting room by the host.

I would now like to welcome my colleagues for joining us this morning. One moment as I look around and see who-- which of my colleagues are with us this morning. I have Senators Jim Moylan, Tony Ada, Amanda Shelton, Telena Nelson, Chris Duenas, Joe San Agustin, Telo Taitague, Speaker Therese Terlaje, one moment Mary-- Senator Mary Torres, Senator Joanne Brown. I think I got everyone. I would also like to recognize former Speaker Judy Won Pat. All right with that, we'll proceed with discussions on bill number 213-36 (COR). I'll begin with giving the floor to Senator Joe San Agustin to present his statement as the bill's primary sponsor.

**Senator Joe S. San Agustin, Sponsor:** Thank you Mr. Chairman for the opportunity to write a statement on bill 213-36. We- the Guam Power Authority requested support for the introduction this legislation to authorize an exemption to the provisions of Public Law 22-23 that prevent the construction of any power plant facilities within 1500 feet of a school and then Public Law 22-23 was enacted as a result of the Macheche power plant that was erected immediately adjacent to Juan M. Guerrero Elementary School in Harmon.

Several mitigation efforts were executed to address the admissions that were released-- that were released-- excuse me-- released near the school after these efforts were completed, the air quality was substantially improved with no reported issues by the school community or the patrons of the Dededo Sports Complex. While the proposed location of the new 41-megawatt generation in Piti are within the area in question GPA has provide information these generators will run-- will be running cleaner fuel that will substantially decrease emissions from 13 tons to 50 to 7-- to 7 tons. Additionally, the placement of these generators were determined as best suited to cut costs as they will be erected immediately nearby the authority's fuel tank system. I'm sure GPA will present on these issues. Mr. Chair thank you for allowing the hearing on this bill, I look forward to hearing the testimonies of our power authority and the people of Guam as-- so we make a sound decision on the matter at hand si Yu'os ma'ase.

**Chairman Ridgell:** Thank you, Senator San Agustin. We'll begin now with testimony from those who've joined us today. I'm going in order of participants based on how their names appear in the sign-in sheet and the sign-in sheet was based upon order of how people requested to participate in the public hearing. The first person on our list is Mr. Sedfrey Linsangan.

**Mr. Sedfrey Linsangan:** Good morning, everybody, thank you for this opportunity. I read the GPA resolution, PUC resolution and many data regarding this power plant. That's why I believe I

can see clearly, and I hope-- I hope that the senators will choose well because I believe I have this compelling argument not to support this bill.

In retrospect on June on October 30, 2019, the Energy Conversation Conservation Agreement was signed between GPA and KEPCO. It stipulates that they will build 198-megawatts of power plant, 65-megawatt reserve, and 25-megawatt battery energy storage facility at Ukudu. Now in my analyzation regarding this contract, KEPCO is in default because right now what they're trying to do is modify the total contract we-- under-- on their advantage. They want a 45-megawatt reserve to be installed at Piti instead of Ukudu. At the same time, we're losing 24 megawatts.

You know the government-- the people of Guam are losing 24 megawatts of reserve power. Now to add to the insult, they would-- they will be charging us six-- 2 million dollars a year. You know for operation and maintenance and another 2.5 million of the available operation maintenance and 0.025 kilowatt per hour you know that the energy that GPA would receive. That's just unacceptable. You know this-- this company they won the bid because they are the lowest bidder, you know based on the procurement law it would-- it will be awarded to the lowest responsive responsible bidder. That's why GPA awarded to them, lowest meaning they're-- it's understandable, they're lowest in price. They beat all other bidders. Responsive meaning, they will comply with the agreement, they sign agreement and then responsible that they have the integrity, the experience, the character to finish the contract. You know now, the way I see it they didn't do their homework or it's their strategy to bid lower and then create this-- this noisy, this unacceptable situation.

Because it is unfair to other bidders, you know if you will modify the contract based on KEPCO's advantage. If that is the case, then no other bidders could have beat them. You know now they're crying that, "Oh we cannot get the major permit process because it's taking too long" and yes that's your fault. That's not our problem. You know you sign a contract and now when I check the PUC order it is stated there by Mr. Benavente that if they will then let them walk away only three million dollars will be liquidated from them. I wonder why because the-- this is a revenue funds not federal funds.

They're supposed to be a fifteen percent big bond. If they're not-- it didn't satisfy the contract the liquidated damage should be implemented and that is 25 percent of 1 percent. If the bid is 500 million dollars, then they should be paying 1.25 million a day to the government of Guam. You know, and the other thing is the reason why we are building this this power plant is to eliminate other power plants at the future site.

Now you will be installing another 45 megawatt at Piti, oh come on! So-- it will be there forever!

You know and there's a current law about the restriction. Not only that there's so many problems with this bill. That's why before they-- there-- the GPA is very against the Piti location because there's a reason of oh, it could be we're due for a tsunami. You know and so many other things. Now they're reversing everything. There's no more integrity on believing them because I testified that two years ago you know against the location at the Ukudu and very strong-- and opposed

strongly the power plant to be located at Piti because of surveilling condition. Now they're refuting out that oh because it's close to all transmission, they knew that before!

You know and that's not the point, the point here is the is the agreement. You know it's unfair to the bidders, it's unfair to the people of Piti, to the students, and to the people of Guam. Because this bill would increase the power rate, not decrease.

Don't tell me the reason that the U.S. government-- your U.S. justice would implement the fines. We have extraordinary situation here; we have the rational basis that they'll be more understanding and lenient because this is not our fault. This is the fault of this contractor not honoring the agreement. You cannot build-- GPA should not be holding hostage the people of Guam for this nonsense argument that, "Hey this would increase the fine, we will be fined by the U.S. justice." You know that's not our fault, that's your fault. That's why the solution here is GPA terminate the contract or let KEPCO and implement the liquidated damage let KEPCO, if not let KEPCO stick with the plan.

You know they know about the Major Source Permit; don't tell me they don't know about it. They know because they've been experienced. They know that it would take longer than that. Then they're giving us a system that would emit more than 10 tons of hazardous air pollutants because of the Major Source Permit requirements. They should modify the system and buy a better system that would be consistent with the Major Source Permit. And besides, I don't see any letter from U.S. justice that would justify the reason of GPA that-- to go with the minor or source permit. All the-- all I see there is their statement but no letter from-- on the U.S. justice. And the solution here also is terminate and then GPA terminate the contract and call for another contract. That's how it is you know you cannot just hurry up everything, you have to do it right.

Second, if the GPA will not terminate, governor should interfere because yeah, she is in the control of the all agency according to Organic Act. She should have GPA terminate the contract or he terminate the contract.

Third, the Attorney General lawsuit against GPA or against KEPCO or not ordering the contract because if this is the case that would be a practice of agency it would happen again and again and again. And this power plant at Ukudu will not emit its purpose that to eliminate all the power plant at all location. True there are generators at Jose Rios and other schools but that's why we're building this Ukudu. At the same time the governor also can use some funds from the American Rescue Act to assist GPA or help support GPA to remove all these generators close to the school because of the money that she got from Rescue Act Funds. Yes Mr. Senator Ridgell thank you very much for calling this this hearing and Senator San Agustin. This is not a good bill, so I strongly oppose this bill. Thank you very much.

**Chairman Ridgell:** Thank you Mr. Linsangan for your testimony this morning. Next on the sign in sheet is Michelle Voacolo Micronesian Climate Change Alliance.



**Ms. Michelle Voacolo, Micronesia Climate Change Alliance:** Hafa adai, thank you all for having for having me here and letting me speak today. My name is Michelle Voacolo, and I am testing-- testifying today as an environmentalist, an activist, and as a ratepayer.

I've been publicly speaking out against this power plant since 2019 and I'm here today to urge our senators to vote against this for the sake of our island, the teachers, students, and staff at Jose Rios Middle School. As I have said dozens of times in the past, KEPCO is an irresponsible business with a long history of scandals and corruption. All one needs to do is google KEPCO corruption and you will find dozens of articles. This company took major shortcuts when constructing the solar farm which led to the destruction of Marbo Caves which is still closed today and so I just don't understand how we can trust them to operate a 41-megawatt power plant that is 1200 feet from a school.

I would also like to reference a conversation between Senator Sabina Perez and Mr. John Benavente in a 2019 public hearing. Senator Perez asked Mr. Benavente if an assessment was done for a power plant that was closer to the source as opposed to building a power plant near a high-density area like Micronesia Mall and the hospital. In his own words, Mr. Benavente says we had many presentations, many discussions on that, the reason why you're trying to move it away from the port area is in case of course you have the potentials with all the changes in the environment, potentials for tsunamis that could take the whole island's energy grid. So that was in his own words and now GPA is kind of going against themselves and saying that the port is the best area.

I would also like to remind Senator Ridgell, Senator Perez, Senator Nelson, Senator San Agustin, Senator Shelton, and Senator Terlaje about their open commitments to the environment and their public commitment to support efforts to address the climate crisis as this power plant will keep our island dependent on dirty depleting fossil fuels for the next three decades.

There are already laws that prevent dirty power plants from being built near schools, specifically a 1993 law prohibits fossil fuel burning generation being built within 1500 feet of schools and in 1993, 14 out of 15 senators, including Senator San Agustin Senior, listened to the concerns of the public and voted to establish the 1500 feet setback and protect teachers and students from skin disease, from inhaling toxic fumes, and illness.

Furthermore, the U.S. EPA has reported that fuel burning power plants create emissions that can lead to asthma and heart problems. It will emit air pollution that will create a toxic neighborhood for the students attending Jose Rios Middle School and the people surrounding that area. Allowing the expansion of fossil fuel infrastructure especially in the vicinity of a school is a direct affront, an act of chronic violence to a community's health, safety, and well-being in both the short and long term. Our children deserve to learn and play in a toxic-free healthy environment.

And finally it's been almost two years of relentlessly protesting this power plant and speaking out against it and raising awareness on KEPCO and sometimes it seems as if my efforts are almost like they don't matter, that nobody's listening but if this bill is passed and KEPCO mismanages this power plant, which wouldn't be uncommon for them as they have done this in the past, or if the storm comes and damages the plant, or if the power plant becomes a stranded asset in the years

to come when the whole world transitions to renewable energy, I really want you to remember my testimony and those who are testifying against this today and I want you to remember me and those like me who spoke out against this today and said that it was not a good idea, that it was not in the best interest of our island's students, teachers, staff, and people and future generations. So, thank you for having me today.

**Chairman Ridgell:** Thank you, Ms. Voacolo, for your testimony next on the sign in sheet is Mr. Christian San Nicolas, Micronesia Climate Change Alliance.

**Mr. Christian San Nicolas – Micronesia Climate Change Alliance:** Hafa adai everyone my name is Christian San Nicolas. I'm here today to urge the senators to please vote no on bill 213. Just yesterday the Office of the Attorney General of Guam announced that they are going to investigate that indeed KEPCO and the contractors knew the dangers of flooding and knowingly failed to implement proper soil and erosion control measures for their Marbo Cave Project just weeks before the incident. I urge the legislature to please oppose bill 213-36 because how can we trust them?

For the safety of the community and the students of Jose Rios Middle School I urge the legislature to not amend the current law that stops power plants from being built within 1500 feet of a school. I'm not too sure why we are looking to building even closer to a school, it doesn't make too much sense to me. I also request that we hold a full investigation on the procurement of KEPCO and find a more feasible option than placing it right next to a school which the U.S. EPA has also reported that burning fossil fuel power plants create emissions that can lead to asthma and heart problems. Please protect our children, the future people of Guam. They may not be able to speak up against this bill which is why I have decided to speak today and ask you to please reconsider and please vote no on bill 213 thank you.

**Chairman Ridgell:** Thank you, Mr. Nicholas, for your testimony next on the sign in sheet is Moneka De Oro Micronesia Climate Change Alliance.

**Ms. Moneka De Oro – Micronesia Climate Change Alliance:** Hafa adai, sorry. Buenas manana si Yu'os everybody. Guahu si Moneka De Oro, [unintelligible]

I have been living on Guam almost my whole life and I am really dedicated to the protection and safeguarding of our natural resources, the-- ensuring that the next generations inherit a land that is healthy, clean, and prosperous. I have come from a long line of CHamoru stewards of our lands and nurturers of our culture. I have dedicated most of my life to the protection of our resources and also the uplifting of our cultural life, ways that have that have been dependent on our natural resources. I'm also currently sitting on the Board of Directors of the Guam Environmental Protection Agency, and I'm really appalled that GPA would go through legislation to circumnavigate regulations that have been set by this legislature-- by this legislative body in the past.

These regulations are set in place to protect our environment, to protect our children. And I just also want to call this legislative body's attention to a document released by the U.S. EPA entitled

“School Sitting Guidelines”, this was just released in August of 2021 and in this document the U.S. EPA puts recommendations for counties, for places across the nation that are building schools as to where schools should be placed and where different facilities should be placed if a school is near. And on page 66 of this document, it talks about large industrial facilities like this power plant, and it says that they shouldn't be within a mile of a school. Actually in the same document it says that a laundromat, a dry cl-- at-- a dry cleaning facility and a gas station should only be within 15-- should be within a thousand feet of a school, that they-- that a lot-- that a gas station has a thousand feet from us-- should be a thousand feet from a school because it also has dangers that can-- that could be brought to the students.

So just-- so having this huge power plant within 1500-- less than 1500 feet from a school is incredibly dangerous, that's less than half-- that's less than half a mile away and power plants of this size, of this industrial size cause air pollution, soil contamination, ground water contamination, surface water contamination, accidental releases, spills of hazardous chemicals, odors and heavy traffic of big vehicles that also release air pollution into the air.

So, these sorts of facilities based on the U.S. EPA's regulations and guidelines, and they recommend that they not be within a mile of a school. Of course, it's going to be hard for us on Guam being such a small island to place anything a mile away from a school, but this is definitely something that, based on the most recent U.S. EPA recommendations-- this definitely is way too close to school even 1500 feet is way too close to a school. So, this is something definitely to consider as a body in thinking about the future. Those of-- on the CCU and those in office right now-- how many of us are going to be around to live through the disparities and the complications of the-- of this power plant and of fossil fuels in general, to the climate? It's really important that we think-- that we have a long-term vision. We had this time last year we-- or a little earlier in 2020 we were discussing having rooftop solar and on schools and that would have been a better option for securing energy independence for our island, lessening our dependence on fossil fuels, bringing down the cost to rate payers, and also just be meeting our goals, this body's goals of being 100 percent renewable by 2045.

These sorts of power plants are very costly, they also cost so much to maintain over the years, and since we're outsourcing this, many of the funds go out of our island they don't stay directly here whereas if we were to transition to renewable energy most of the renewable energy companies are locally headquartered and hire locally as well so be a really great and there's so much it's really great to start building the capacity of renewable energy on our island.

There's also so much more being done nationally in regards to energy that's really phasing out fossil fuels. To make these sorts of investments into fossil fuels, where it's millions-- hundreds of millions of dollars into fossil fuels at this point with climate-- with the climate crisis rapidly increasing and rapidly bringing threats to our islands and our region it's very short-sighted of this body to vote yes on this specific bill. We really have to be thinking beyond 30 years and into the next seven generations about what kind of island we want to leave our children and really voting no to this per-- to this law is the way to go. If you really want to be a good ancestor, we really need to be thinking about energy democracy and energy-- and really freeing ourselves from fossil fuels.

So please senators I urge you to vote no and to have a bigger long-term vision for what energy systems could look like for our islands. Si Yu'os ma'ase.

**Chairman Ridgell:** Thank you Ms. De Oro for your testimony next on the sign-in sheet is Mr. Fred Horecky Chief Administrative Law Judge Public Utilities Commission. Mr. Horecky please unmute.

**Mr. Frederick Horecky, Chief Administrative Law Judge – Public Utilities Commission:** Okay, thank you Chairperson Ridgell, senators. My name is Fred Horecky, I'm the Chief Administrative Law Judge of the Guam Public Utilities Commission. I'm presenting testimony today on behalf of the PUC and the Acting Chairman of Peter Montinola. Initially however, I'd like to give an overview.

This hearing is not about whether to approve KEPCO or not. The horse is out of the barn on that issue. KEPCO is the contractor. There is a contract that has been approved by the Public Utilities Commission which is the Energy Conversion Agreement. There's no basis for terminating that agreement and in fact if the senators thought they were going to do that, that would be an unmitigated disaster for the people of Guam. There is a Consent Decree in effect right now that orders GPA to complete the power plant by April 2024. That's the 198-megawatt power plant. If GPA does not meet that deadline, if it does not complete the power plant, it is going to be subject to millions and millions of dollars of penalties and fines. So that simply is not an issue now.

The KEPCO power plant is required by law, that is an order of the District Court of Guam, and I don't think that the senators would wish to violate a federal order of accord by somehow deciding that the KEPCO plant was no longer going to be approved. In fact, there is a contract, there's the Energy Conversion Agreement that was agreed to by GPA, by KEPCO and approved by the Public Utilities Commission and furthermore recognized in the Consent Decree which requires the completion of the 198-megawatt plant.

Now beyond that, there was some suggestion that the 41-megawatt plant at Cabras was somehow in the favor of KEPCO and was somehow a plot by KEPCO to take advantage of the situation and that is not true at all. This issue came before the Public Utilities Commission. That is why the 41-megawatt plant was necessary and I have attached to the testimony of Chairman Montinola the order of the PUC. I think if you read that you'll see that very careful consideration was given to the issue of why it was decided that the 41-megawatt plant at Cabras should be installed.

The problem basically was in the original agreement, the 65-megawatt reserve facility that was supposed to be at Ukudu was not feasible at all. The U.S. EPA did not want to have to go through the Major Source permitting process because it would have been taking too long so minor source permitting became the only option for the permitting here. The problem with the 65-megawatt facility at Ukudu was that it was only a reserve facility and could only be used for 500 hours a year under a major source permitting. That was completely ineffectual. It would have rendered the plant of little or no use to GPA and what the PUC decided in its docket, the 41-megawatt plant, is actually quite different. The original 65-megawatt plant was supposed to be only a reserve when KEPCO needed the power for the Ukudu plant, but the 41-megawatt plant is subject to the control

of GPA, so GPA will be able to use the power supplied by that plant to meet any deficiencies in the power system. It's GPA and not KEPCO that will determine when that plant is used.

So overall the PUC really carefully examined this issue and determined that the 41-megawatt plant was advantageous to GPA and the ratepayers of Guam. If the legislature were to heed these suggestions that somehow, it's before you now whether to block the KEPCO plant, as I said that would lead to an unmitigated disaster of fines, penalties, and power outages. We won't have sufficient power in the system if that plant is not built. So just to cover that one point, the 41-megawatt plant was determined by the PUC to be a necessary plant advantageous to Guam and GPA and also a necessary part of the Ukudu power plant project. The PUC, as the testimony of Mr. Montinola indicates, has been involved in this project since the very beginning almost seven years or more now and at every step the PUC has carefully evaluated the need for the Ukudu power plant. That's an issue that has already been resolved by the PUC, by GPA, by the U.S. EPA and the Department of Justice that there is a need for that plant to be built and it is required by law.

As I said it was not KEPCO that asked for the 41-megawatt plant to be approved that was a GPA's request and PUC found it to be fully justified. The necessity of the change of location was something that we approved because of the change to a Minor Source Permit. So again, that was necessary.

My point is that the full the full justification and rationale for the 41-megawatt plan was vetted by the PUC, it was approved as I recall, unanimously by all the commissioners that were present at the hearing and that was in GPA dock at 21-07.

Now really the issue before you in in this proposed bill 112 is not whether you approve of KEPCO or not, not whether you approve of the 198-megawatt plant, but whether you will grant an exemption to GPA authorizing the construction of the 41-megawatt reserve plant.

And again that 41-megawatt plant is essential to the Ukudu power plant project. If you don't approve the 41-megawatt plant there's certainly a possibility that the entire project will fall through, thus placing Guam in jeopardy of violating the Consent Decree and also just not having sufficient power in the system to prevent outages. It is true that the current law 12 GCA §8119 does restrict the construction of a power generation facility with a capacity of more than one megawatt within 1500 feet of a school, but I think the legislature has to look at this as taking the steps that are appropriate to comply with a Consent Decree but also to comply with the interests of the people of Guam which is that we have sufficient power in our system to prevent outages.

The opponents seem to suggest that somehow, well if we don't have the 198-megawatt everything will be better. It'll preserve the environment, protect the environment, but the problem is without that 198-megawatt plant we can't even incorporate renewables into the GPA system. The reliability of that plant is needed to provide a basis for incorporating more renewables and as I think you know, both GPA and PUC have been very supportive of expanding renewables in the system, but it still has been determined that as of today, there needs to be a reliable power source, still fossil fuel, that will create the situation where we can rapidly incorporate renewables into the system.

So, for those that are arguing somehow that the 198-megawatt plant would be scuttled, you are also scuttling the opportunity of incorporating more renewables into the system. So here I think the legislature must take steps to approve this exemption. It's really critical to the success of the whole power plant arrangements that's been devised and the work that's been done by GPA and the PUC for many years now. Unless the legislature approves the exemption there is as I said a possibility that the entire power plant project could be derailed and of course some people seem to be saying that they think that's a good idea but right now the builder of the plant subsidiary of KEPCO that's Guam, they have indicated that its lenders may not finance the new power plant unless this issue regarding the construction of the 41-megawatt plant is resolved. So potentially, if the legislature doesn't grant the exception the entire Ukudu power plant project could fall through and that is not a good thing for the people of Guam. It's a disaster.

GPA has a plan which the PUC has reviewed and supports fully, that all steps should be taken to build a reliable power system. With the Ukudu plant many of the older, less environmentally friendly plants like Cabras 1 and 2, perhaps some of the diesels, those plants will all be able to be retired because of the new power plant, but without the exemption here there's really a possibility that KEPCO might just decide to walk away from the entire project and where is that going to leave Guam and the people with the consent decree? What's going to happen then? Because if you don't proceed now, you never have that power plant built by April 2024, that I assure you will be a big major disaster for the people of Guam and will definitely have a terrible negative impact on the power system.

All the planning and hard work that's been done and remember these aren't new issues, these have been fully vetted by everyone PUC, GPA, U.S. EPA, so to now somehow decide well we're just going to try to scuttle the whole project and not proceed ahead. Again, no basis for that at all. Without the reliable power provided by the Ukudu plant it is very unlikely the GPA will be able to incorporate renewables into the system or meet the goal of incorporating as many new renewables.

Finally as to the exemption itself, there is no evidence at all that the construction of this 41-megawatt reserve facility at Cabras presents a risk of harm to either Jose Rios Middle School or its students and the opponents seem to try to argue of all the harms of a fossil fuel power plant but they haven't come up with any concrete evidence whatsoever to show that there is any harm here, other than speculation, allegation, but no specifics to demonstrate that the 41-megawatt plant would cause any harm to anyone.

Now the original 1500-foot restriction Public Law 22-23 was apparently promulgated to address the Macheche Combustion Turbine which had been constructed within 500 feet of the JM Guerrero Elementary School. I would note it appears from the legislation that it would-- the legislation was actually enacted after the Macheche Plant was built but that plant initially burned 0.5 percent sulfur diesel and GPA took a lot of steps to make sure there was no harm from that plant. It raised the stack in the plant, it changed the fuel oil to 0.0015 percent ultra-low sulfur diesel. And you know that's a major change that's occurred since the original restriction was enacted into law.

GPA is engaged in a master plan and program to reduce the sulfur emissions of all of these plants and rapidly all of the plants, and that will include the new 41-megawatt plant, will be burning the lowest ultra-sulfur low diesel fuel. So, we're really-- we're talking about a situation in terms of sulfur and the pollution that has vastly and greatly improved since the time this exemption was first placed into law. As to Macheche, has anyone heard any issues since the Macheche Plant was built? Have there been any suggestions that there was harm done to the students of JM Guerrero? There hasn't been anything suggested that there's a basis for this restriction or why even it was placed into the law. I would also note with regard to Piti and Cabras, the Cabras area, you know even-- I believe it was after Public Law 22-23 was passed, the Piti 8 and 9 units in Cabras were constructed. Those are larger units I believe about I want to say 80, I think it's 84-megawatts total, those have been operating since the 1990s. And again, they are larger plants than the 41-megawatt plant and what is the evidence of harm to students, to the school, anything concrete, do we have anything in the record to show that there has been any adverse impact?

The 41-megawatt plant again will burn the ultra-low sulfur diesel and even the Piti plants Piti 8 and 9 are also now in the process of being converted to ultra-low sulfur diesel. So, this 41-megawatt reserve unit would conserve-- would consume and burn ultra-low sulfur diesel at less than 10 percent of the existing Piti plant's consumption. That plant will be permitted by U.S. EPA, by Guam EPA, ensuring compliance with Ambient Air Quality Standards.

I think you should also consider in GPA's presentation they've stated that because all the plants now are being changed to ultra-low sulfur diesel that this is going to result in a system-wide improvement of a-- 1859 times reduction in the SO<sub>2</sub>, the sulfur emissions of under the U.S. EPA air quality standards, So the standards have tightened quite a bit. GPA has been doing a lot. At the PUC we've entertained a lot of the petitions to allow them to change the fuel burning in the Piti plants. We went through this with all the combustion turbines, they've already been changed to the low sulfur, and this is a process that's going to continue which will ensure that the 41-megawatt plant built in in Piti in in Cabras won't cause harm to the students.

Now I'd also note, I'm sure you're aware that the Piti Municipal Planning Council has voted to support this measure bill 212. They are the representatives of Piti village and they have found that their-- they approve the exemption, that they are not concerned that the building of this plant is going to cause harm to the school or its students and again I suggest there's just nothing before you in the record. We've had a lot of general talk about climate change and the environment and the evils of fossil fuels, but we haven't had anything concrete to show what is the potential actual harm or damage here and all the facts and evidence seem to suggest that this plant the 41-megawatt can be built without harm. It's being built in a careful, cautious way, reducing the fuel that it's using. So, for all of those reasons it seems very appropriate for the senators to approve the exemption here.

As I said, if you don't, I truly believe it's going to be catastrophic. It'll mean in upcoming years if somehow that led to the derailment of the Ukudu plant, there will not be sufficient power, renewables will not operate as effectively, and we may well face a situation that existed in the 1990s of blackouts, rolling outages and the like but GPA has been working hard to make sure that's a power system that will protect the people of Guam and in reliability. And also, by the way, they

have been taking a lot of steps to reduce the cost. So, part of the need for the Ukudu power plant is that when it is operational you will see a great impact on LEAC because that plant is so much more efficient in fuel burning it's going to reduce LEAC. There will be a great of-- greatly reduced amount of fuel consumption for all the power plants. Ukudu as well as the others, the combustion turbines because of the use of the ultra-low sulfur diesel. So, if somehow this program did not go through, again costs could go up. It just it really would not present a good situation for the people of Guam. So, in conclusion Chairman Montinola has supported this bill 212 he urges that the senators of this committee approve its passage and also that the legislature enact the legislation. Thank you for your time.

**Chairman Ridgell:** Thank you Mr. Horecky. Just for the record, is your test-- was your testimony ratified by the entire Public Utilities Commission?

**Mr. Horecky:** It was presented to the entire Public Utilities Commission, yes.

**Chairman Ridgell:** But was it ratified or approved by them to represent the entire commission?

**Mr. Horecky:** Yes, yes, I sent it to them, and the commissioners all had an opportunity to object. There was one objection out of seven commissioners.

**Chairman Ridgell:** Okay so then there was one objection, it wasn't completely ratified, I mean did they vote on it in a meeting and say this will represent the commission?

**Mr. Horecky:** That's not our procedure with the commission. These hearings come up very quickly, so normally we do always notify all of the commissioners and if they have any objection to the testimony, they will voice that and that is always, in this context, how we have processed these.

**Chairman Ridgell:** So, but you did say there was one objection on the commission to this testimony. When was--

**Mr. Horecky:** There wasn't really an objection to the testimony so much it was a concern about the 41-megawatt plant but that commissioner in fact had voted to change the Energy Conversion Agreement to approve the 41-megawatt plant. A written the written order that I submitted, again, shows that all the commissioners were there including this one that now raised that objection, so he's already approved the 41-megawatt plant.

**Chairman Ridgell:** Okay so technically speaking who is your testimony on behalf of? The entire commission or on behalf of some-- sorry someone's microphone is on please mute your microphone, thank you-- because you were mentioning--

**Mr. Horecky:** Yes, it's on behalf of the entire PUC, yes.

**Chairman Ridgell:** And but not, your process is to not vote on ratification of specific testimony?



**Mr. Horecky:** No, we don't do that.

**Chairman Ridgell:** Interesting process. All right thank you very much Mr. Horecky. Next, we'll have Mr. Benavente, General Manager of the Guam Power Authority.

**John Benavente, General Manager – Guam Power Authority:** Thank you, good morning senator, good morning all the senators are in the public hearing, and I'd like to start out first of all by thanking Senator San Agustin for introducing the bills that are before you today. I'd like to also thank you for this opportunity for this public hearing to relay as it relates to 213 and furthermore in the next bill 212.

My name is John Benavente, General Manager of the Guam Power Authority and I am pleased to offer GPA's testimony in support of bill 213-36 as introduced. If passed, bill 213-36 will allow the Guam Power Authority to proceed with critical energy projects that will substantially improve air quality, lower rates, and increase power and service reliability, all positively impacting our island community but especially all who live and or work within the Piti community.

Through several meetings, GPA engages in discussions with the Piti Municipal Planning Council and residents of Piti, the Port Authority of Guam Management, the leadership team of Jose Rios Middle School and it's PTO, PTA and with local media partners. We have carefully considered the comments and suggestions raised at this meetings we sought improve and strengthen our clean energy plan.

The contract for the Ukudu power plant includes reserve generators that may be used during system maintenance of the permanent units or as otherwise required by GPA. These reserve generators totaling 41-megawatt are planned for installation near GPA's existing tank farm between the entrances of the Port Authority of Guam and Polaris Point. The proximity of major transmission lines, existing fuel infrastructure, and other factors conclude that lots 261 and 257 are the best and most feasible location for these reserve units. The location, however, is within a hundred thousand feet from Jose Rios Middle School, which indicates potential conflict with Public Law 22-23.

The proposed lots [inaudible] reserve units are located within an area originally designated for power generation and related use. In fact, the Department of Land Management find that the subject laws in Cabras were transferred to GPA by the US Navy as un-zoned federal property specifically for power plant use by GPA.

The principal financial lenders of Guam Ukudu power who is contracted to build and operate the new Ukudu power plant unrequited-- related components including reserve power units are concerned about the conflict of Public Law 22-23 as with the specified permitted activities of the Cabras lots. GPA is required to remedy the conflict which brings us to the issue at hand. Public Law 22-23 restricts the construction of power generation facilities within capacity in excess of one megawatt and utilizing fossil fuel within 1500 feet of a school. Testimony in support of Public Law 22-23 passed in 1993 cited the poor air qualities running Harmon Loop Elementary known as Juan M. Guerrero Elementary School attributed to the Macheche power plant operation. The Macheche Plant's stack height was subsequently raised from about 45 feet to the existing 150 feet

immediately in mitigating the impact into the area community. Additionally, the sulfur content of fuel oil was reduced from 0.6 to 2.0015 it is today at Macheche and other diesel plants considerably improving air quality and reducing overall emissions. The Macheche power plant operates today, generally unnoticed by the Guam Juan M. Guerrero Elementary School community and numerous patrons of the Dededo Sports Complex. Subject lots are between 1 000 to 1500 feet of Jose Rios Middle School as are the existing baseload plants, Piti units 8 and 9 as was mentioned by Mr. Horecky earlier.

Under current operations, units 8 and 9 generate over 644 million kilowatt hours annually, burning high and low sulfur residual fuel oil containing up to 2 percent sulfur. They burn close to 1 million barrels a year of 2 percent sulfur. The school's potential impact from power plant emissions occur less than three percent of plant operations over the past five years. Three percent of plant operations is really three percent when the trade winds are turned in inland. Several projects are on the way to convert existing base load units Piti 8 and 9 to ultra-low sulfur diesel. The same field the Macheche and other non-diesel generators used today, and few which the 41-megawatt backup generators will use, the siting of the 41-megawatt reserve units and related power plant activities will impact the busy school and village. The positive impact will be realized in six or-- six short months when Piti units 8 and 9 start utilizing ultra-low sulfur diesel with a sulfur content of 0.0015 percent versus the 2 percent that's used today.

This is the same diesel available at your neighborhood gas station that powers trucks and buses, school buses and oil [inaudible]... power plants except for Cabras 1 and 2. Although Cabras 1 and 2 are slated for permanent retirement shortly after the commissioning of the new Ukudu power plant, it will transition from heavy oil with 2 percent today to cleaner oil of 0.2 percent sulfur content by the end of this year, December 2022, we have to be burning 0.2 percent Sulphur sulfur content at Cabras. By 2025, the current base law plan will either have retired or transitioned to reserve units. By 2025, the sulfur dioxide emission will be 0.05 percent, not even 1 percent, 0.05 percent of the 2019 rate, exceeding the national ambient air quality standards.

The air will be 1894 times cleaner than today. The Cabras air quality will be improved by 99.6 percent, a substantial transformation after 50 years of burning cheap but high sulfur fuel content. GPA is making significant progress to ensure clean, reliable, affordable, resilient, energy for Guam. Transitioning to cleaner greener and renewable energy requires confidence that the non-traditional energy sources can provide energy security, self-sufficiency, and system stability. Long-term planning is critical to ensuring that Guam's energy infrastructure has the capacity, flexibility, resilience, and the capacity to adapt and deliver. By 2025 the new Ukudu plan will provide the island's primary base load energy, reducing Guam's annual fossil fuel import by 49 million gallons. The existing conventional baseload power plant will be retired or placed on reserve status and will operate on cleaner fuel. Concurrently, utility scale renewable energy farms and energy storage battery system will be commissioned, generating over 38 percent of the island's power by 2026. Guam's ratepayers will save approximately 25 percent in concurrent energy costs to receive cleaner, more resilient, and reliable energy.

The main Ukudu plan will be constructed in Dededo, and we have the capacity to generate over 198 megawatts. This new, more efficient plan will provide Guam's primary base load energy in

addition to the over 165-megawatt current and pending utility scale and rooftop solar PV systems. The 41-megawatt units are a component of the new power plant and serve as backup or reserve generation capacity and the Ukudu plan is the cornerstone, the cornerstone to achieving and ensuring the island's security.

The Ukudu plant project with tech-- is includes the 41-megawatt reserve units proposed to be cited in the Cabras area is a key component of the negotiated Consent Decree between GPA, U.S. EPA and the U.S. Department of Justice. Transitioning to clean fuel, adding additional utility scale renewable plans, and energy battery storage systems are also critical components of the consent decree and advance the island's energy security.

By 2025, 25 percent of the energy delivered to your homes, schools, businesses, and community centers will come from renewable sources. This will be in large part on the large utility scale pv plans coming online beginning this year and throughout the next few years. Over 180-megawatt renewable energy will be added to the current 25-megawatt utility scale pv farm and 20 from about 25 to 28 megawatts of customer rooftop sources. Positioning to clean fuel firsthand unique infrastructure supply and logistical challenges the solution includes concurrently using up to five different types of fuel over the next few years. So, by late 2024 all power plants including base loads and reserve units will be utilizing one single fuel ultra-low sulfur diesel of 0.0015 percent, reducing our emissions again, in Cabras on the whole island really by 1859 times, providing us ninety-nine point nine- point six, uh point six percen-- point four percent improvement in our in our air emiss-- in our air quality.

While cleaner fuel is more expensive, the generating units of the new power plant are extremely efficient and are able to produce more energy with less fuel. Lower fuel requirements coupled with affordable utility scale renewable energy and battery storage will result in lower fuel costs and ultimately lower power bills. The 22-- 2022 integrated resource plan currently before the ccu for approval, recommends adding about 400-megawatts of solar renewables by 2030 thus achieving our fifty percent renewable goal five years earlier than the mandated deadline of 2035. However as identified by the plan, the Ukudu power plant and its reserve unit is critical to achieving this goal the mandated goal that was passed by Guam Legislature. We cannot achieve clean, reliable, affordable, power and comply with the consent decree by utilizing existing power plants that were commissioned in the 1970s. Those plants have served the island well over the past 47 years. The plants are no longer capable of keeping up with the intermittency of modern renewable power generation or meet today's environmental and efficiency standards. The path of clean, reliable, resilient, affordable energy has been paved. The planning for new power plant began over a decade ago, we must stay the course and keep moving forward. Further delays jeopardize compliance with the Consent Decree as well as available availability of sufficient power generation for Guam. Our current nameplate power generation capacity is 420-megawatt. However, the durated capacity today is about 358-megawatt for current peak demand required by our customers about 257 megawatts last year. Leaving our reserve at only 101 megawatts. This is not technical gibberish, this figures show the vulnerability of our power generation's capacity. In plain language if we do nothing, if we fail to commission the new power plant, Guam would not have sufficient energy to meet the demand.

We continue to progress forward to avoid possible federal court receivership, rotating blackouts, higher rates, and disinterested investors. Your express authorization to construct and operate research generators on the cover slots will remedy a small but critical component and move us towards achieving energy security. The Guam Power Authority needs your help, we cannot do this alone. Put fabot, ayuda para minaolek todú giya Guam. Si Yu'os mã'ase for your consideration, thank you.

**Chairman Ridgell:** Thank you, Mr. Benavente, for your testimony. Next on the sign in list is Mr. Rick Unpingco.

**Rick Unpingco:** Good morning, Senator Ridgell, thank you for giving me this opportunity. I'm a power consultant and also consultant for cellular phones, retired GPA General Manager many years ago. I am in support of billon 213-36 for the following:

I understand the concerns of parents of students attending Jose Rios Middle School and that the 41-megawatt generator is within 1500 feet radius of the school, but so is the existing baseload plants that have operated there since late 1990s. Correct me if I'm wrong but I have not heard any claims resulting from the close proximity of the power plant. Furthermore, by the time this power plan is built the base load units in Cabras will be retrofitted to the new ultra-low sulfur diesel fuel which is multiple times cleaner than the existing bunker fuel that we are personally using.

Thus, the clean air safety standards will conform to the U.S. EPA. In my own opinion as a power consultant, it is safe for the students at Jose Rios Middle School and the people working in the vicinity. The 41-megawatt power plant is a reserve generator that has minimal up-- operational time and if needed may be used to shave off peak loadings during the day. It is not intended to be operated continuously but only as a standby generator, should an unexpected loss of ins-- a loss of load incident occurs.

The plant can also be placed online during schedule outages of other generators undergoing maintenance, and that's the most important part is that we're always maintaining the other generators. We need this 41-megawatts for as reserve. It is also critical for integrating more renewables in the ida-- in the island-wide power system. This plant can go online within a matter of minutes and this plant will be useful for cushioning power fluctuations resulting from adverse weather conditions that may affect the solar farms. A cloud covering the solar farm, a 60-megawatt solar farm, can lose in a matter of seconds about four megawatts and we need a power plant like this to ramp up and compensate for that load because four megawatts is about the size of Asan village, and so operationally we need this for our power system.

GPA needs this generator to be situated in the South due to the power infrastructure already available. The switch charts are there, pipelines are there for the daytime, for the day tanks and for the fuel supply which is close by but also the important part is that not only is this an advantage for the permitting which will cut down 18 months of permitting time, but also to serve the Southern villages during power interruptions and system disturbances. The 41-megawatt will strengthen the Southern village's retire-- reliability and lessen line losses to the South. In the event of an island-

wide blackout or during typhoon restoration, this 41-megawatt generator will serve as a black start to power the base load generators in Cabras and also to serve the residents of the South.

In closing I am asking the legislature to pass bill number 213-36 we do not want the old adage that the South is the last to rise after typhoons as we experienced decades ago. That concludes my presentation, thank you for the opportunity.

**Chairman Ridgell:** Thank you Mr. Unpingco next on the sign in sheet is Mr. Victor Torres Engineer III, Guam Power Authority.

**Mr. Victor Torres, Engineer III - Guam Power Authority:** Buenas Senator Clynt Ridgell and all committee members here today. My name is Victor Torres Mechanical Engineer at Guam Power Authority. I've been with the agency since 2013 and have a background in power generation, demand side management, and renewable energy. It is an honor to speak to you all today in support of bill 213. This bill supports GPA's clean energy master plan and will reduce our energies-- or our customers power bills, increase reliability, and protect the environment.

Bill 213 allows GPA to install 41-megawatts of reserve generators part of the Ukudu power plant near GPA's existing fuel tank farm. As reserve generators, these units will only operate on an as-needed basis, further reducing emissions in the area. To restate, these will not operate as base load generators which run 24/7. When these generators are needed, they will run on ultra-low sulfur diesel. This is an incredibly clean fuel source, especially when compared to what is currently used at our aging power plants in Piti. Installing these units will better allow GPA to retire our 47-year-old steam turbine generators. Again, this leads to substantial decrease of emissions in the area, greatly benefiting students of Jose Rios.

When starting my career at GPA, I was assigned to oversee several major maintenance programs at Cabras 1 and 2. The amount of work needed to keep those units above water was incredible, and that was over eight years ago. While efficient in their prime, time has taken its toll. Reduced reliability, and ever-increasing maintenance costs make operating these legacy plants far into the future unfeasible and unsustainable. Construction of the new Ukudu plant with its reserve generators will directly result in an efficient, cleaner, and greener Guam.

We have an opportunity to ensure the future of power generation on island. The reduced emissions from ultra-low sulfur diesel plants with potential to run on natural gas means a Guam with cleaner air to breath. Additionally, our customers can enjoy substantially lower power bills due to savings resulting from refinancing of bonds and almost 80 million dollars in annual field savings. I not only speak in the capacity of a GPA engineer but as a resident of Guam and a rate payer. bill 213 will benefit our families, the next generation of CHamoru and all people of Guam. I strongly support this bill, si Yu'os ma'ase.

**Chairman Ridgell:** Thank you Mr. Torres for your testimony. Next on the sign in sheet is Mr. Ronald Okada. Hello, Mr. Okada, are you there?

**Mr. Okada:** I'm here, can you hear me?

**Chairman Ridgell:** Yes, I can, thank you.

**Mr. Okada:** Good morning committee Chairman Ridgell committee members and senators of the 36<sup>th</sup> legislature, my name is Ronald Okada. Thank you for allowing me the opportunity to testify in support of bill 213. I'm asking for your consideration in voting yes for both for this piece of legislation. I've been with authority for 25 years and currently serve as the manager of generation. I manage a group of dedicated people who work tirelessly at the old and declining power plant. Senator I can tell you firsthand that this plan needs to be retired and replaced. They are too expensive to continue to maintain and the new power plant which are part of GPA's master plan will burn lower emission which means cleaner air for your family and mine. Until sailing along, GPA will be saving approximately 80 million annually these savings will be passed on to ratepayers in the form of lower power bill. [inaudible] Chairman Ridgell, I must emphasize that we can and should not wait any longer to play our master plan. This bill will help accelerate. That's the-- I don't want to go back to the old time during the 1990s where [inaudible] so we don't plan to retire the [inaudible] and build the new power plant then we will go back to the old and so no [inaudible]. Thank you.

**Chairman Ridgell:** Thank you, Mr. Okada, for your testimony next is Lourdes San Nicolas.

**Ms. Lourdes San Nicolas:** Good morning and hafa adai Madam Speaker Terlaje, Chairman Ridgell and members of the 36th Guam Legislature. Buenas yan hafa adai. Thank you for allowing me to present both oral and written testimonies in full support of bills 212 and 213. My name is Lourdes Nicholas, a resident of the village of Dededo. After reading bills 212 and 213 and their benefits to us as stack-- as rate payers, I fully understand the importance of passing these two pieces of legislation that will lead to lower power bills increase, power reliability, and provide for a cleaner environment and quality air. Even before this awful pandemic many of our families struggled to make ends meet. Now with many of our residents unemployed and displaced by Covid rising utility costs add to our challenges. Additionally, our children are the youngest victims of this pandemic. Many of them miss class time and social interaction with their class with their school names. Some students attending virtually online have to deal with shoddy international internet connections and power outages. We all know this is unacceptable. Honorable senators I respectfully request your full support on bills 212 and 213. The rates are available now for GPA to refinance their bonds, save money and pass on to those savings to rate payers may not be this slow again. Retiring those old Cabras power plants and replacing them with a new more reliable and efficient power system that burns almost 99 percent less emissions will also be possible if these bills pass into law. thank you again for your time and attention and I look forward to a favorable result. Un dangkolo na si Yu'os mã'ase.

**Chairman Ridgell:** Thank you, Ms. San Nicolas. Next is Mr. Kenneth Chargualaf.

**Mr. Kenneth Chargualaf:** Good morning, Mr. Chairman, good morning. Madam speaker and members of the 36th Guam legislature buenas yan hafa adai.

Thank you for allowing me to present both oral and written testimonies in full support of bills 212 and 213. My name is Ken Chargualaf from the historic village of Inalåhan and currently a resident of the village of Yona. As we all know the passage of bill 212 will give us the rate payers substantial savings of approximately 15 million beginning 2024 through 2030 and improve power services in the immediate future. In other words, we the rate payers who see substantial lower power bills than today's rates. Additionally, the passage of 213 will allow GPA to substantially provide reliable, resilient, clean energy, cost effective, lower power rates, and meet current and future energy growth needs. The 41 mega megawatts reserve unit appearing will support the main power base unit at Ukudu when the power system is interrupted. The bill is urgently needed to complete the Ukudu plant by April 2024 to comply with the federal consent decree.

As the former principal of Piti Middle School now Jose Rios Middle School, and Associate Superintendent of Secondary Education, and about 40 years in the Department of Education, no students, parents, teachers, staff, or community members has ever registered any concern about the plan proximity or the quality of air to me or with my office. I am grateful for the visionary leadership of the CCU and the Guam Power Authority leadership and its team of professionals in their commitment to replacing antiquated, unreliable power campus with the new technology power system to an improved Piti and Ukudu power plant. The island's power system will be more efficient, reliable, affordable and cleaner. Any delays in meeting the federal consent agreement will result in hundreds of millions of potential penalties. Gov Guam or the rate payers cannot be further financially burdened by this foreseeable matter. Moreover, let us be mindful of our geographic distance noting that we cannot tap onto other energy grids. We are it. Honorable senators I am counting on your wisdom to guide us from any immediate or future cataclysmic events such as low shedding or island-wide power outages. In closing as ratepayers, I respectfully request your serious consideration to support both bills 212 and 213 after your careful and thoughtful review of the endless benefits of these two proposed pieces of legislation. Indeed, I am very excited to see the fruition of the new power system technology. It is a huge win for the people of Guam. Thank you for your time and I look forward to seeing the passage of these bills. Thank you and Mr. Chairman.

**Chairman Ridgell:** Thank you, Mr. Chargualaf, for your testimony. Next on the sign in sheet is former Speaker Judy Won Pat. Hello Speaker Won Pat are you still online? Sorry, there are a lot of people logged on right now so I'm trying to see who is still online and I know some people may have left for other things or may have dropped off. Okay, I don't see Speaker Won Pat online at this time, so I'll move on now. The next person signed up is Mr. Tony Chargualaf Mayor of Inalåhan.

**Mr. Tony Chargualaf, Mayor of Inarajan:** Hafa adai honorable Senator Clynton Ridgell Chairperson on Committee on Economic Development, Agriculture, Power and Energy Utilities, and the Arts and all honorable senators of the 36<sup>th</sup> Guam Legislature.

Un dangkolo na si Yu'os mã'ase for this opportunity to provide my testimony in full support of bill 212-36 and bill 213-32. My name is Anthony P. Chargualaf, a resident of Inalåhan for over 54 years and the current mayor of our historic village. In recent months the village of Inalåhan and several other Southern villages have been experiencing power outages twice a week and sometimes

more than that. When this happens, my staff will promptly communicate with GPA on the status of the power interruption. I commend the Guam Power Authority for their prompt response and action to address the power interruption in the Southern villages, to restore and bring us back on the grid at the earliest possible.

As a former utility employee, myself, I understand the challenges with trying to provide the expected service with an aging infrastructure and a cost that is going beyond the means of the median income family. I support bill 212-36 because it will allow GPA to take advantage of historic low interest rates, translating into 15.3 million dollars of cash savings which converge into savings for the ratepayers starting from 2024 to 2030. I also strongly support bill 213-36 which will allow the Guam Power Authority to construct a 41-megawatt generator reserve and proceed with critical energy projects that will translate into increased power reliability, improved air quality and definitely lower rates.

Our entire island community especially the southern villages will be receptive to this plan. I want to thank GPA's General Manager John Benavente and his management team including the board, CCU board for their foresight and planning our power infrastructure and ensuring that our island needs will be met as our demand increases. I am highly encouraged at the wisdom of GPA, to create a plan to address our community needs especially for the southern villages for a reliable, more efficient, affordable, and cleaner environment power system. In closing I would like to thank each of you honorable senators for this opportunity to expressly support bills 212 and 213. More importantly I ask for your support and ultimate approval of passage of these two bills, most importantly for the southern villages of Guam thank you very much. Un dangkolo na si Yu'os ma'ase.

**Chairman Ridgell:** Thank you, Mayor Chargualaf, next is Mr. Eloy Hara. Mr. Hara if you could please unmute. There you go. One more time. Click it again and I-- you just had it. There you go. Mr. Hara it's on mute again. Please just, you had it off mute. There, it is off mute right now. It's back on mute. There it's off mute. If you just speak now, we should be able to hear you okay.

**Mr. Eloy Hara:** Okay, can you?

**Chairman Ridgell:** Yes, sir there you go.

**Mr. Hara:** Thank you, Mr. Chairman, for allowing me to testify on both bill 213-36 and 212-36 and I am in full support of both bills and to actually shorten my time here, using Senator San Agustin testimony and more especially the PUC with attorney Horecky's, rather than repeat all of those long and you know testimony let me just first more or less. I am Eloy Hara, formerly General Manager of Guam Power back during the load shedding blues and then I you know move on to the Executive Director of the Civil Service Commission and Administrator of the Guam Memorial Hospital before my retirement and then became a Consolidated Commissioner of Utility member but, prior to that I was also a PUC member back in the days of Joey Duenas and Simon Sanchez and so I do have an extensive background and as a member of the Consolidated Commission Of Utilities up to 2015 I am really a big part of putting the Integrated Resource Plan that is now being you know affected to arrive at the construction of the 198-megawatt power plant in Ukudu. So that



sir, is my background and you know reason why I'm able to comment appropriately regarding these two bills. But, so not to repeat I'm going to just summarize now the basic against the basic objections.

The proximity of the Piti power plant, school and neighborhood is the very reason for the 198-megawatt plan up at Ukudu. And the reason for that is because the photo megawatt in the entire Cabras area is 300, I mean 220-megawatt. Now the 198-megawatt in Ukudu will replace that 220 non-efficient highly, you know highly corrosive emission power plants will be replaced by the 198-megawatt power plant and of course the 41-megawatt that is out of that 198 will, they found out, is most feasible to be constructed in the Cabras area for the many reasons such as the proximity of the tapping into the power source into the fuel line and in also the disbursement of or the power by that unit will be supplying most effectively the Southern community of Guam.

So that sir is the very reason why the 198-megawatt power plant is the reason. The other one also, it is the-- without the 198-megawatt power plant, we cannot effectively use the over 180-megawatt of solar power that is going to be online this year. So not being able to tap into the 180-megawatt of solar power in itself would be disastrous and but the positive part about it is that by tapping into the 180-megawatt of solar to support the 198-megawatt efficient units will result in a substantial savings to the entire community of Guam and I believe that translates to almost about 80 million dollars a year.

So, the you know, and that again and not only is this substantial saving but the total emission, you know, of replacing the 220 bad generators by the 198-megawatt and the 180-megawatt of solar will substantially really have a very clean environment and a very much lower power cost. So basically [inaudible] another factor too that I believe has not been written other than by John Benavente, General Manager, is that the 41-megawatt in Cabras and the remaining seven eight and nine units, are only going to be online when needed but another factor that most people have not indicated is that the prevailing wind in Guam, the prevailing wind other than during clement weather such as typhoon, is that the prevailing wind is away from Cabras island out into the Philippine Sea. And only during like typhoon time when the prevailing wind will have a shift back onto the island of Guam. So, during my days in Guam Power as the PUC and CCU member, you-- when the wind blows back onto the island that's when we shift to low sulfur you know fuel at that time. But now with low sulfur fuel being used, super low sulfur fuel being used all the time, that would not even be necessary to, you know, to shift fuel during that those times when the wind blows back onto the onto Piti and the rest of the island.

So that's another, you know, benefit for the for approving to bill 213-36. So that is in closing, and I thank you Mr. Chairman for allowing me to testify and I also ask all of the members of the 36 legislature to please you know support this bill because it's the best-- in the best interest of our entire community of Guam, thank you.

**Chairman Ridgell:** Thank you Mr. Hara for your testimony, next on the list is Mr. Kyle Dahilig.

**Mr. Kyle Dahilig – Guam Youth Climate Strike:** Hafa Adai i na'an-hu si Kyle Dahilig, I am representing Guam Youth Climate Strike and myself. Si Yu'os ma'ase chairman, senators, and

students for sharing your time with me today. I don't trust Guam Power Authority, Korea Electric and their subsidiaries, the Consolidated Commission on Utilities, and the Public Utilities Commission. Back in 1993 Public Law 22-33 was passed with near unanimous support by the legislature, 14 out of 15 with one being absent. Students, teachers, and staff expressed great concerns about air quality and safety and what was relevant back in 1993 reverberates today. Also noteworthy that late Senator Jose San Agustin and former Senator Ted Nelson voted in favor of keeping fossil fuels away from learning institutions a yes vote on Bill 212, 213 will dictate the legislature's environmental legacy. I also don't understand what's clean about diesel fuel and burning because it is quite dangerous with its volatility and how that would impact public health and public safety. This new energy, clean new energy that's being promised it's new and it's crazy and something that we don't know too much about and given that this dangerous and new dirty energy will be handled by KEPCO and its company friends and their history with explosions like in Cabras, there should be enough red flags to indicate that this dangerous energy plan is a disaster waiting to explode. And when is this fearmongering going to stop? To the people to the community, to the youth that this energy being burned is going to be clean and that somehow rates are going to decrease. How can we take serious that KEPCO and their friends who are in court for violations and mismanagement of other projects like at Marbo caves?

I also want to note that prior testimonies of the of those who are lobbying for this bill suggest that there isn't harm when fossil fuel power plants are built near schools so why not place them near Guam Power Authority within 1200 feet of the entrance or the CCU's homes the workplaces and what not. Why do we have to have these dangerous power plants situated at Ukudu at Jose Rios, at Juan M. Guerrero? And let's talk a little bit about the age demographic present today who will be here in the next 25 years to suffer the consequences by decisions made today when we hear from industry experts and their claims that refinancing will save us money, who is actually saving the money because rates have consistently gone up since last election season with inflation at all times high, with wallet breaking records at 7 percent, even as high as 12 for basic household products, not even to mention gas prices at five dollars and this also includes that the feds are expecting to raise interest rates. So, who here has the actual power to prove that our bills will decrease? And if you're asking for alternatives, you already have the answers. We need this legislature to reintroduce Bill 219-35 which would allow public, charter and collegiate institutions to serve as properties eligible for installation of solar panels to aid in attaining a lower cost for cleaner electricity production and to provide strengthened legislation to purchase of leaseback renewable energy. This, these are words from your bill that you introduced.

And so in conclusion, voting in favor of both bills today, is negligent and a complete reversal of the protections for our people that was promised back in 1993. Un dangkolo na Si Yu'os ma'ase, Maraming Salamat Po and Kinisou.

**Chairman Ridgell:** Thank you Mr. Dahilig for your testimony, next is Kalani Reyes

**Ms. Kalani Reyes:** Hafa Adai, can everyone hear me?

**Chairman Ridgell:** Yes, good morning.

**Ms. Reyes:** Good morning, Hafa Adai and good morning. Well, today, good morning legislature I mean Sinadot and Sinadoras other students and other people of Guam who are here today. I

wanted to thank you for allowing me to speak today on this very important issue, and I from listening to what um everyone here has presented so far including those different presentations given by the GPA director, and other folks from who are school administrators. I understand that you are all in a very difficult position to make such a very big decision. I for one as a rate payer of Guahan as somebody who has lived here for over 10 years, I do not support this bill. And I urge you to look into alternatives, I understand that because of the consent decree, and other issues that Mr. Victor Torres also pointed out and other people that this kind of sulfur diesel fuel is more better than what we are currently using on Guahan. And I understand that that is an alternative however um sulfur diesel does give off emissions it is it does produce byproducts. Even low sulfur diesel with less than 0.5 sulfur gives off by products, And because of that I can't support having a sulfur diesel plant near a school and although everyone um or other people have pointed out that there is no science showing how detrimental having a fossil fuel burning power plant near a school. There is actually science showing how detrimental fossil fuel burning power plants are. And there are recent studies published about it as recently as 2021 in the journal called environmental health perspectives. Talking about sulfur dioxide emissions and how they give off other byproducts, and then also pointing out that fuel plants um that utilize sulfur dioxide emissions also would need to um the best way to control the emissions would be to remove the sulfur from the fuel before use, and so they would have to have a sulfur capture system and I am unsure of whether this current plant has a sulfur capture system but sulfur capture systems such as fuel scrubbing towers do add cost to the ratepayers. And although that might be um something that saves us money in the in the short term over the long term the health the health effects of it on these kids health and the people of this village are unstudied, and like everyone pointed out before people haven't reported any detrimental issues to other school administrators and that's understandable because people don't really know necessarily you know whether what they're getting diabetes, asthma is from the soul for you know the power plant down the street you don't always know it's not as clear-cut. As like for example Malesso' when the people are getting poisoned from the (PCBs) in the lagoon, and getting high rates of cancer it's not that clear cut all the time something that is airborne is very difficult to pin down and we all know that because of covid.

So, I just urge you although that I understand that you Sinadot and Sinadoras are in a difficult position I also urge you to look into other ways we could improve GPA's power grid system to be more environmentally friendly, to include other perspectives besides people who are from families that have profited off of power plants and fuel, you know and also to include perspectives from people who are living in those villages as well and so make a little bit more of an effort to include those perspectives, as opposed to you know printing out two weeks before the hearing and then the week before, because I wouldn't be here if it wasn't for other people telling me about this. And PUC another um thought that I was having when I was listening to Mr. Frederick Herocky's piece today is that this if anything shows us that PUC system of approval does not capture public opinion in the way that it should, and I think that should be also a consideration moving forward on how best to improve it so that it is not in the hands of seven or eight people although you know we are doing the best we can with what we have. So, I just think that um for me as a rate payer I do not support this I urge you to look into another system for providing power to the people of Guam including myself thank you so much.

**Chairman Ridgell:** Thank you Ms. Kalani Reyes for your testimony today. Next is Ms. Maria Hernandez May Prutehi Litekyan hello please unmute you're still on me.

**Ms. Marie Hernandez – Prutehi Litekyan:** I'm sorry about that.

**Chairman Ridgell:** There you go.

**Ms. Hernandez:** Buenas and hafa adai honorable senators thank you so much for holding this very important public hearing. I have my kids behind me so there might be a little chaos, but I'm going to try to get through this quickly. I'm a mother daughter of Guahan born and raised here, I'm speaking today on behalf of Prutehi Litekyan/Save Ritidian we are a direct action environmental and cultural rights organization, we advocate for the protection of sacred native land and for the return of incesutal lands. Over the years our organization has continually raised concerns about the harmful effects of military development in northern Guahan. That is causing irreversible damage to our historic resources and to our environment. So, while our mission has been focused on DOD projects that lie above our sole source aquifer, we believe that the same pressure must also be placed on our own government to utilize environmentally sound and culturally sensitive practices outside of the fence to prevent irreparable harm to our island and people. For this reason we vehemently oppose Bill 213-36. And there are a myriad of ways have you as you've heard from those in opposition that you know the establishment of this power plant is not in the best interest of the people of Guam. And we need to be thinking about paving the way for sustainable present and future with a focus on real genuine security especially in these uncertain times. Being dependent on dirty energy for the next three decades goes against that goal. There's no genuine security and toxic emissions linked to asthma, heart problems, chronic illness especially in the vicinity of a school. And while previous testimony indicated that the community hasn't shared concern about these emissions the reality is that there aren't any educational campaigns to inform the community about risks and benefits, and I'm sure if that if the community were properly informed you would see a lot more parents here today objecting. We also shared concerns about KEPCO'S history of ethical violations and unsound business practices it makes no logical sense to place a company with a questionable track record managing over 50 percent of the Island's power.

Our people's health continues to decline our lands and water are increasingly contaminated diesel emissions contribute to the development of cancer, cardiovascular and respiratory health issues, pollution of air, water, and soil. This is scientifically proven. We have the CCU saying that it doesn't, but there's extensive data to show that it does cause harm. So, we're being told that not moving forward with this power plan because existing ones need support. You know that's kind of the argument here and you know we're saying that moving forward with this legislation would mean that we're taking 10 steps back to move three steps forward, So we are very concerned about this the health of our land really is reflective of the health of our people. So, why would our community support adding more toxicity to our home? Dirty energy is not the way forward so we urge you our elected leaders to oppose Bill 213-36 for a cleaner greener and healthier future for Guahan Si Yu'os Ma'åse.

**Chairman Ridgell:** Thank you Ms. Maria Hernandez May for your testimony. Next on the list is Ms. Czeska Cabuhat if forgive me if I did not pronounce your name correctly.

**Czeska Cabuhat:** Si Yu'os senator Clynt Ridgell it's Czeska Cabuhat for the record.

**Chairman Ridgell:** Czeska Cabuhat.

**Ms. C. Cabuhat:** Yes, so my name is Czeska Cabuhat. I'm here today as a person who was born and raised on the Island of Guam, and also really concerned about my generation's future right. Like I'm here because I want to live on a Guam where my generation and the generation that come after me have clean air to breathe just like you did right. Can live and go to school and learn with clean air and clean water right, these issues are all connected poisoning our water and poisoning our air so the military. So we could get ready for the military buildup? What is that saying to our children? What is that saying to my generation and the generation after, right? So I ask that instead that you make this moment to find the courage to choose people to choose our health to choose our community who unfortunately cannot be here today it's Thursday at 9:00 a.m. in the morning right. Parents and students go to school. So that they could pay their power bills my grandma she pays 600 to 700 a month she turned 90 this year 90. And I bless every single year that she's made it, but she cannot keep up with these energy bills right. And GPA they've increased our energy bills two years during a global pandemic when people were out of jobs. How can we trust them to be in the interests of our people? And so it is your duty as our legislators to make sure that you hear what the voters want right. Not what these corporations are asking like KEPCO or GPA right? They say that it's greener it's reliable this is green washing this is information that they are feeding you, but we don't have that independent information. right? All we can rely on is on the science, the science that says diesel is a fossil fuel that maybe yeah emits 0.00015 but you are our legislators, right? You can create a feasibility study, so that we can understand what are the effects of this? And so we were taught to take care of our elders, we were taught to take care of the generations that come after us. And you are holding the power to make that commitment. You know this energy transition in the years that come to provide the opportunity for jobs for us to work in safe renewable infrastructure we can do that. I ask that you delay by opposing this exemption right. Because a yes on this bill 213 will directly pollute our people. They say it's cleaner it will still pollute the air fossil fuels is a fossil fuel. So, this will take away from spending that can improve our lives rather than shorten them this will be a large sump cost with no return on investment in a renewable future for my generation and the generation that comes after me. And it will exasperate the problem of climate change that we are facing. So, I refuse that our politicians say like we have to make a better energy grid so that we could prepare for the military to come what about our children because we live here too. Thank you.

**Chairman Ridgell:** Thank you Ms. Cabuhat for your testimony this morning next on the list is Louisa Cabuhat.

**Ms. Louisa Cabuhat:** Hi good morning Mr. chairman and good morning, everyone.

**Chairman Ridgell:** Good Morning.

**Ms. L. Cabuhat:** My name is Louisa Cabuhat. I am a realtor in profession, and most especially I am a concerned citizen, and I am attending this hearing to urge our honorable senators to please vote no on Bill 213-36. This bill will give a special pass for GPA and KEPCO to build a power plant within 1200 feet of Jose Rios middle school this facility will create toxic environment for the children of Jose Rios and the surrounding area so please keep our children safety and healthy and thank you for the opportunity to speak.

**Chairman Ridgell:** Thank you Ms. Cabuhat for your testimony.

**Ms. L. Cabuhat:** Thank you.

**Chairman Ridgell:** That is it for those who I have on my list right now however, if there's anyone that I may have missed or anyone else who is here to testify on this bill please turn on your camera speak up let me know if there's anyone here to testify on the measure this morning. anyone else? If there's anyone else here to testify please unmute and speak up.

**Ms. Joanie Leon Guerrero:** Dispensa' I would like to testify.

**Chairman Ridgell:** Okay, you may proceed.

**Ms. Leon Guerrero:** Si Yu'os ma'åse, i na'an-hu si Joanie Leon Guerrero familian [inaudible]. I'm a concerned Chamorru woman and a representative of Masakåda Collective. I'm here today to ask that the 36<sup>th</sup> Guam Legislature vote no against this bill 213-36. I asked that the legislature take more time to review the federal consent agreement and vote against this bill. An outside impartial environmental and health impact investigation should be conducted and the findings should be reported to the public. So, they can, they can weigh in on the findings, of course the stakeholders here will tell you that this plan is necessary. Those who benefit from this plan of course will tell you that this plan is harmless and necessary. But how can you pay a promise that the safety protocols will be sufficient in event of unforeseen catastrophic weather events? All over the world the best engineers in the world are failing to prepare for today's climate catastrophes. Regardless of the millions of dollars in penalty cannot outweigh people and the land. If they're if they're lost to potential damages caused by this plan. We can't make decisions under duress. We can't make decisions because of millions of dollars we have to consider people and our land first. And I ask that the legislature please consider the impacts of investing in more fossil fuel and not considering the outcomes for the future of our children. As Chamorru it is our custom to honor and respect our elders, but I was also taught that as elders it is our job to perfect to protect imenhofen. The older ones always look out for the younger ones. I was also taught to respect the land and water. What values are we modeling? If we are putting our youth at risk and setting them up to inherit a host of environmental and health impacts that could easily have been avoided. Thank you for your time Si Yu'os ma'åse.

**Chairman Ridgell:** Thank you for your testimony, Ms. Leon Guerrero. Next I have Antoinette Charfauros McDaniel.

**Ms. Antoinette Charfauros McDaniel:** Buenas yan håfa adai, guahu si profesot Antoinette Charfauros McDaniel, sumasaga yu giya Cleveland Ohio lao I was born in um in Hagåtña, I and my siblings started school in Barrigada, San Vicente. I am a sociologist by training, and I have taught many years about the impacts of environmental racism on low income.

**Chairman Ridgell:** Ms. Charfauros I apologize, could you turn your camera on one of the requirements of public hearing. Thank you very much.

**Ms. McDaniel:** Sure, all right, very good. Again, guahu si profesot Antoinette Charfauros McDaniel. Familian [inaudible]. I am coming to you I'm testifying from the lands of the Cascadia and Erie peoples in Cleveland Ohio. I'm a sociologist by training. For decades I have taught about educational inequities facing students of color, Indigenous students, Black and Latinx students in Turtle Island. This is my first opportunity however to speak up on behalf of i manhoben CHamoru. CHamoru yu and I'm very proud to be CHamoru. So, in this instance I would like to mention that

in listening carefully very carefully to the testimony in support of the passage of the approval of the bill. I heard time after time quote and quote evidence presented evidence that people have not had it had chance to examine. I'd like to know whether and I'd like to advance and support the recommendation on by Jonny Leon Guerrero that the legislature please take the time to support a neutral and fund a neutral body to present evidence because as a sociologist I often teach students. There's evidence and then there's evidence many of the questions or another line is there's lies then lies in their statistics. It very much depends on who is in a position to present that evidence to assume that all evidence is neutral and that only the evidence coming from institutions is legitimate and authoritative.

I speak on behalf and in and in concert with the on island activists um the Micronesian Climate Change folks, the Prutehi Litekyan. The activists who are mothers who are activists who are who are daughters and sons of Guahan. Who are longtime residents, I ask you to think carefully about the impacts of what sociologists refer to as environmental racism. On the middle school children but also the hard-working teachers the educators the parents the staff. When there are disasters as there are as disasters are by definition accidents, everyone wings their hands and says and goes back and says how can this be how could this awful, awful loss of life be avoided. It is incumbent upon the elected officials in the Guahan legislature. And I would say many of whom are it's chelu, i manelu-yu. I'm asking you to please take the time to slow your roll do not give in to pressures for people from people who stand to benefit from the quick passage of this legislation particularly, particularly when there is a sense there's a kind of condescending patronizing tone to many of the pieces much of the testimony that we know better as indigenous CHamoru people, as parents. Ultimate are tired of this long lament that people who have all people who have degrees and are employed by institutions always know better. There's a long line of bodies of CHamoru people, and people who are continue to be ill from environmental issues and have, lack access to good health care on the Island, who were told that too, going back to mañaina-hu, i difunto, si Jesus yan Victoria Charfauros my mother graduated from GW my father is a Father Duenas graduate these are people who lived on that island, who lived through the war and I am their descendant and while I may be tuning in as are si Czeska Cabuhat, yan si Jonny Leon Guerrero. We are the descendants of CHamoru's and long-time residents from Guahan. Please listen and do not simply dismiss our voices because we also have deep guinaiya para i Guahan, para i isla-ta, i tano'-ta. Si Yu'os ma'ase and thank you so much for the opportunity to present.

**Chairman Ridgell:** Thank you Ms. Charfauros for your testimony this morning. Okay, one more time is there anyone else here that would like to provide testimony that I may have missed, please speak now, just looking around to see if anyone is here to also provide testimony again please speak up now if you're here to provide testimony.

**Erin Grajek, Office Manager – Office of Senator Clynton E. Ridgell:** Hafa Adai Senator, sorry Senator is having some difficulties he will be right back on. Thank you for your patience Senator Ridgell should be signing in soon.

**Chairman Ridgell:** All right thank you very much everyone for bearing with me. I'm back on I'm having technical difficulties with my wi-fi again one more time is anyone else here provide testimony on bill 213 please speak up now. All right if no one else is here to provide testimony on bill 213 one more chance to speak up if I missed anyone there's just a lot of people in the in the virtual room, so I just want to be sure I don't miss anyone who is here to provide testimony here's

your last chance or else we will proceed going once going twice sold. All right so that concludes the testimony portion. We will now move on to the question-and-answer portion. I will begin with some questions I have, my question first is for the Guam Power Authority's General Manager Mr. John Benavente. If you are still on, and my question is if the proponents are saying that this new technology is cleaner and it's safer and there should be no problem with putting it within 1200 feet of the school then why not just repeal the entire law and allow it for all schools.

**Mr. Benavente:** Senator that's a good question. And you can do that however all we're asking is for the Piti site. And I think one could state that as we had known as we had noted in the past this is really the last of the conventional fossil fuel firing generators that GPA is looking to ask for. And so therefore as you can see our plan is to achieve the mandate of renewable energy. I asked you to take a look at the 2022 integrated resource plan which is now before the CCU, and you will see that the plan the Ukudu plan and the 41 megawatt reserves are cornerstone to demand to achieve the mandate that you yourself correctly has put together to for more renewables. You also see that they recommended 400 megawatts more of renewables within this decade and but as was also earlier mentioned by the by um Attorney Horecky. We can't put any more megawatts of renewables into the system, unless we change the conventional units, and of course it's going to take a few years to in in any case just as the mandate noted to put renewables 50 by 2035 100 by 2045. What do we do for energy between now and 2035 and now in 2045? That we proceeded and have completed and is before the CCU today identifies and laid out that plan for the next 10 to 10 to 20 years and more importantly to achieve 30 50 renewables by the end of 2030 it also identified about 230 million of infrastructure upgrades as necessary for more renewables to be in the system so this plan after done by the CCU will be provided to the PUC and they also will review it and then our future actions including going out for more renewables which could be as early as this summer will be based on the continuance of that and the expectation that the Ukudu power plan and its 41 megawatt would be completed as scheduled. So again I'm not asking for all the other schools we can take a look at that, but I am also saying at this point though that even Macheche which has been running almost 50 percent of the time for the past several years since 2015 when the 25 megawatt renewable came on solar Piti renewable and then and came on the line, because of the intermittency we had to run that plan almost 50 percent of the time just to address that it has been running next to JM Guerrero school with the clean field with the higher stack without any issues and of course it's safe. So, I'm not asking for any exemption other than just for this particular and again from my looking out many years from the IRP looking out is the last conventional fossil fuel plan that we are looking at and that's and that's and that's what you call it that's in the integrated resource plan it does say that it does say that we can retire other units other more costlier units so that's all in the integrated resource plan as much mentioned senator. So all I ask is that we do the Cabras site for this for master plan.

**Chairman Ridgell:** Okay Mr. Benavente but my question is do you recommend amending the bill to just repeal the law altogether then.

**Mr. Benavente:** Again, I you can say that in a way if you want to repeal the whole the laws it's fine, I think it's still safe it's safe because machete is safe. And again the senator point zero one five percent software is almost negligible. I mean it's not even one percent, so when you look at the mathematics of that point zero one five percent is very clean. And in any case if we ever had to put again another power plant somewhere of course all of the, all of the concerns that were provided today, we'll keep it we'll keep and make sure we address that. And we have we've



addressed because there are other parties and senators and again that we have to be accountable to. We have to be accountable to the Guam EPA, we have to be accountable to the USEPA. And we all the permitting, We can't just put the plan even if you approve this without them approving the permit air permit for this unit. So again there are other checkpoints other than the legislature, and whenever we go through that we have to do modeling like we have to do a model of what the emissions are so that we can comply with the ambient air quality standards. But one more thing senator I think we may maybe have been missed, but in this year 2022 by July of this year under the consent decree and with all the action we've been taking that Piti plan which you see the haze and the presentation is going to be burning clean ultra-low sulfur diesel. That haze is going to disappear it's going to be clean already, then by the end of December this year we're going to say we're going to burn 0.2 percent more expensive fuel at the Cabras Power Plant and then now that the emission again is substantially much more improved than it is today. Those are all part of the presentation that I've shown you, why is that? Because there's a new standard for the national ambient air quality that's coming into effect in April 2023. And we couldn't get an extension of the new power plant beyond that unless we added the additional improvement until the new power plant is completed. So, we have done that Senator. The CCU the PUC have approved all of that in this part we are constructing it we are doing everything possible right now to meet that, so we will have much more cleaner air by the end of this year and when we get to the new power plant completion certainly you're getting to see the 99% improvement of the whole island sulfur dioxide emissions.

**Chairman Ridgell:** Okay, so just to be clear you do recommend that we repeal the entire law correct?

**Mr. Benavente:** No, I did not say that senator, it's up to you. I'll leave it to your judgment.

**Chairman Ridgell:** So, you don't? I'm trying to determine what is your recommendation are you recommending that we only grant an exemption just for this one school and do not repeal the entire thing or are you recommending that we repeal the entire law.

**Mr. Benavente:** I'm asking you the legislature to allow us to operate at Cabras. And appeal, repeal and provide us an exemption from that to decide whether they want to provide an exemption for the whole island. So, that's my recommendation that's my request senator.

**Chairman Ridgell:** Okay, all right also there were some statements made today and representations that somehow this power plan is necessary to power the south and I live down south. So, I'm very concerned about the south but why is it then that the initial contract was going to place all of the power generation at Ukudu?

**Mr. Benavente:** Very good question Senator. If you today and again the main reason why we place one of the main reasons why we placed it up in in Ukudu or requested to do it and of course it was an improved major improvement in the reliability of the system. Especially storm restoration right into the underground system in the north where 60% of the population lives. No? But in addition to that as you can see the other day Tonga had a big volcano explosion we had the west coast of the us having some tsunami impact from that. Correct? So, in planning together with the Guam Homeland Security that look at potentially a huge earthquake in the last in in Japan that could provide a tsunami impact into the Cabras area. We needed to find to have enough capacity in higher grounds to be able to ensure that despite a tsunami we can continue to serve 100 percent

of the island community. For that senator is 198-megawatt power plant. All together with over a hundred and 20 under the 50 more megawatts of capacity above tsunami impact. Will certainly serve the whole island, the standby generator as you recall as was said is really to help to keep the load on at any particular time. So, but as a result of the opportunity to move that and make it be of value to the community using it at Cabras is a risk that we were willing to take, because again the primary issue is if there's a tsunami in Guam can we serve the island community with the new Ukudu plant? The answer is yes, because with the new power plant we are also storing one month supply of fuel up to attain that thing because as you as we can see some of these disasters are becoming real today so then that's the answer for that Mr. chairman.

**Chairman Ridgell:** Well I didn't quite get the answer there forgive me. So, basically my question is it's been represented that this plant is necessary to power the south? However your initial plans in the initial contract did not include power generation closer to the south only all the power generation would have been an Ukudu and if that's correct then is it true that this plant is necessary to provide power to the south? to be cited there to provide power to the south?

**Mr. Benavente:** The as was mentioned by some of the the, what you call it? the testifiers no. The location of the plan down at Cabras provides the added benefit of being able to serve the south in case or other events in the system. Case in point, now that the main power plant is up north you want to make sure that all the transmission lines to the south works no. But if anything is cut off for any significant reason then you can start up the 41 megawatt and feed the south. There's also one more thing that you know and again I'm just giving you more information that's really not in the testimony, but we're also looking that if Ukudu is completed, we can relocate some of the additional units that we have to the south. Casing point right now after a major storm devastating, Pongsona that happened to us in 2002. The southern part of the island had to wait for weeks before we can even begin serving them energy, because the transmission lines all the way to the south were down. Our plan is to bring some of the fuel diesel units of six or eight of them and work with everyone to install it in a place like the substation in Umatac. That way we don't need transmission lines to the south after a storm we can serve the community of the south from Hågat all the way to Inalåhan, Malojloj, Talo'fo'fo, through these generators by just feeding them into the distribution system. So that's part of our plan which is all again contingent on us completing this new Ukudu plant. So, it does have a benefit senator that is not the curse what you call the crucial point why it's been relocated to Cabras other than all the infrastructures that are there you'll save us money we're not going to be trucking fuel across the island to feed a power plant up in the north. This is the fuel the pipelines are all there the oil is about 300 feet away and so therefore that makes it an ideal location at which we could operate at a lower cost and was mentioned could also serve the southern part of the island which also includes the military Hågat and everyone through that period.

**Chairman Ridgell:** Okay, that's another point there's a lot of claims of cost savings with this proposed power plant. but the PUC order for GPA Doc. 2107 on page 8 says it would be quote. Difficult to quantify those at the present time end quote. In other words you're saying it's going to save money, but we don't have any idea of how much it will save or even how to quantify or calculate those savings right now just trust us it's going to save something correct?

**Mr. Benavente:** Senator, if you look at page slide 14 and 15 on my presentation that lays out the entire energy plan that will save the repairs of Guam it will if you look at.

**Chairman Ridgell:** That energy plant inclusive of renewables. right? I'm talking specifically for this plant do you have a representation of how much this plant will specifically save?

**Mr. Benavente:** If I may answer your question, please.

**Chairman Ridgell:** Yes.

**Mr. Benavente:** First of all, slides 14 will show you the plan because that is work the entire community is going to see no. It shows you we're going to be at 25 renewables, okay? It shows you that we're going to reduce our annual consumption by 1.2 million barrels a year. So, therefore at a hundred dollars a barrel that's 120 million at 80 dollars a barrel that's 80 million of less of fuel that we're paying for and money going off the island no. It shows you the emissions is going to be 99 cleaner and again it shows that the rates the LEAC is going to go down from the 17 or so cents today. Maybe even higher because of a high increase in fuel pricing again to about 11 10 a kilowatt hour. That's real if you look at on the left side those are the projects that are going underway including the Ukudu plant of course, which we're trying to again ensure that nothing gets in the way of getting that plan done. As for the 41 megawatts as was mentioned by attorney Horecky. In the initial contract that's only like a standby generator for themselves to make sure that they bring the power out to us to serve their community it's like a standby generator at the house. The 41 megawatt is an added value where now that 41 megawatt will not only save say for example even in Barrigada height if you will, not only will serve a house in Barrigada heights but not consider the whole community of Barrigada Heights it's disposable by us it's more is more efficient it's cheaper to operate and maintain and again is something that will ensure that we can also retire other power plants for example other power plants within the system that costs more to operate and maintain today. So, those are the added benefits of the 41 megawatts. So everything you see in this plan in those pages is what we're committed, and I've been moving forward to achieve and are achievable no. and that's why we ask you for this 41-megawatt exemption to allow us. I heard they don't want to pay higher rates, this is going to accomplish that, I heard I don't want I want a clean environment, this is certainly going to provide a clean environment, reliable power no one wants a power outage you can hear the testimony from the south. So, again senator this this is the plan that we are moving and, and so close to achieving, and it's really something that we have for many, many, many years, try to put together and accomplish so that we finally get away from the erratic fuel oil prices that occur from year to year from the constantly changing LEAC. this would now help us because again we consume 2.7 million barrels of oil today that's going to go down to 1.5 that's 1.2 million barrels less and then as we add more renewables, if we when we add the 400 megawatts of course still subject to the PUC, CCU, and PUC approval we add the additional 40 megawatts and get to 50 renewables. We're gonna drop that, again we're gonna drop that and maybe another half a million barrels. So, that's the, that's the name of that's the that's the whole vision of this is we continue we have the foundation to continue and have 247 power. And then we continue to have renewables and therefore keep reducing our dependency on oil and therefore at a reasonable price, therefore the price is sustainable and over long periods of time, and the island achieves sustainability. So, that's our plan senator.

**Chairman Ridgell:** Okay, thank you Mr. Benavente, So, you're talking about fuel savings, but CCU member Simon Sanchez said to Patti Arroyo on Newstalk K-57 yesterday that quote, we save on fuel but we have to pay KEPCO for the cost of the plant and quote, the refinancing will

help us also pay KEPCO. So, my question is will this new plant really save money if you're looking to refinance bonds with Bill 212 in order to save money in order to quote help us also pay KEPCO.

**Mr. Benavente:** Correct Senator, the more we can lower our costs today at our cost today, the more savings we can provide to our consumers no. Of course the new power plant is not coming in at no cost, of course you go and buy a big you know a vehicle you pay but then your operating maintenance cost is reduced your maintenance issues are reduced. So, therefore and again all of this were embedded and worked through the PUC and approved through the PUC, because again for and again I've been going back to the PUC for very stringent evaluations on this project no. The concern of the PUC in the beginning about building a new power plant is we did not want the rates to go off the roof for our consumers we did not want that to increase. So therefore, We laid out a plan how after we completely built the Ukudu plan and these renewables were putting on which is targeted now for 2025 by 2024 but in 2025 the combination of refinancing combination of more renewables the combination of Ukudu all of that together will result in the cost savings to the consumers somewhere in the neighborhood of about 25 or more. And again that also allows us to continue to add more and more lower cost variables and pass those savings. On the converse of that is not true, we will if we don't do anything we're going to be stuck up in the 17 cents a kilowatt hour. Why? Because we are already gonna implement this year higher fuel costs for PITI 8 and 9 and for Cabras 1 and 2 by converting to the fuel we are to provide clean air that's going to be stuck with us so therefore your LEAC rates are going to get stuck if you don't do anything about it. and that's why the Ukudu plan is extremely important to provide lower cost to the consumers, which by the way Senator I hear it and I feel it whenever I go to cut through the island and understand the difficulty of having to pay so much energy and so much money for a very important necessity that the entire island needs. So that's my comment it is it is a combination of all of this. And these are all been worked with through the PUC and the net result even through our presentations, is that there will be this saving to the rate payers by building the new plan that we don't have today and you know.

**Chairman Ridgell:** So, with that I actually do take issue with the representation that this plant will save money because as you stated it's actually a combination of things the refinancing and other renewable renewables being added to the portfolio altogether. In addition to that um originally this is actually an increase because originally this was all part of the Ukudu power plant and that whole thing had to be renegotiated. So, originally with the Ukudu contract 65 megawatts were going to be built up at Ukudu. But it's now being reduced to 41 megawatts and in addition to that you're gonna have to pay an additional 4.42 million more annually for 41 megawatts then you were going to pay for 65 megawatts is that correct.

**Mr. Benavente:** No, you're certainly not correct Senator. Let me let me let me go back a little bit and reiterate what I just said no. We are going to reduce with the new Ukudu power plant being very efficient. It's going to reduce our annual fuel imports or consumption fuel from 2.7 down to about 1.5 million barrels a year. You take the difference that's 1.2 million barrels say a reduction or savings to the consumer. At today's price, okay? It's a I say a hundred dollars a barrel that's a hundred and twenty million dollars of less fuel savings that is Ukudu itself in fuel savings. Then you pay up so 120 and Ukudu costs is about 70 million a year operation maintenance capacity fee and all of that you already still have 50 billion in savings. The whole plan is to implement the overdue plan savings get the refinancing savings and do all of that and give it back to the ratepayer and again that's the PUC that would decide that but the concern was all the PUC is that we did not

want to raise rates for the consumers, again as everyone you know doesn't want to do even ourselves no. So you can see senator just the 1.2 million barrels of oil less than import that has a savings. But of course you utilize all of that and then you come up with a net savings to the consumers which is what we're trying to say it's about 25 percent. But it also provides the opportunity for more savings whereas in today yeah there's no opportunity really for that it's just more cost if fuel oil prices go up that's why the LEAC has been going up.

**Chairman Ridgell:** But the contract for the Cabras proposed Cabras power plant is going to cost additional annually isn't that correct the contract itself with KEPCO operations and maintenance.

**Mr. Benavente:** Let me explain that portion this way no. The plant itself was again going to be there as necessary to help KEPCO in Ukudu when it is originally in Ukudu and not really for additional benefits by the ratepayer. Right now we have other machines no and I think we have a slide that shows the ages of all our power plants. Our power plants are all 30 some years old and 47 now for cabbage one and two. Those power plants also as reserve units have to operate all the time at some time a period of time reserve units. So, therefore being its reserve units, it costs us today to have it maintain operate it and when it runs it's not as sufficient as the 41 megawatts. So, therefore when we move the 41 megawatts down to Cabras we can start it anytime instead of those other costlier GPA units today which now allows us to retire them. So the nets the net cost between the two there's a net savings by having the 41 megawatts. So, when you paying the say for example the fixed annual fixed or an m cost for 2 million then we're going to be retiring others that for that but the efficiency of the plan is more efficient than a combustion turbine and therefore there's huge fuel savings from that. So, the net result is a benefit to the ratepayer. And that's the excitement of having to be able to have that 41-megawatts including as what someone has also said one of the testifiers forget which one that said. The generators can get on the line within about one to three minutes if we lose something somewhere we can push the button from the dispatch control channel and this units come on the line we can do that for the 20 megawatt Dededo CT the 20 megawatt c Macheche CT. So, again those are added benefits for providing better reliability at a lower cost and allowing us to retire older legacy units and save money for the ratepayers. So, that's the whole plan senator and again this are important part of the overall our overall master plan.

**Chairman Ridgell:** Right but another part of it is Bill 212, which is what I don't understand if it's really going to save money. Then why are you guys seeking refinancing bonds to save money to pay for the power plant?

**Mr. Benavente:** Okay, Senator um do we do we want the people of today to pay for the power plant that everyone else is going to use in the future? Well that's a policy goal that you can make right? But then we're also saying today that the rates are too high. So, how do we reduce that number? We take the debt that that we have today which is still for it was for infrastructure that last 20, 30, 40 years they're still going to be serving us 20 years from now. So, therefore instead of paying that you reduce the monthly annual, annual payment, you reduce your mortgage, it's like your house you refinance to reduce your annual mortgage your monthly and annual mortgage payment. So, today if we help we're paying about 47 million dollars a year for debt. Refinancing the 2012 bond will reduce that down to about 25 million. So there I'm sorry, the today we're paying 47. So, we're bringing it down to four what's 47 minus 10 30 37 about 35 million no. That's 15 million through the whole process will be put into to pay to together with a few savings the power plan and everything and then the net result will go back to the consumer. So, in fact they are going

to be paying less today, otherwise you can keep that not at the debt but then your rates are still are going to end up being higher. Because you're paying for all the infrastructure that lasts for so many years more you're paying for other people use of it in the future you yourself are paying it today. So, that's why you will want to refinance this, you want to spread that cost over the period of time where the structure is. And therefore reduce the cost of the energy to the ratepayers today we will most especially really need it no.

**Chairman Ridgell:** Okay, so you know originally this was also to be done up at Ukudu. Now you're proposing to move part of it down to Cabras. The reason for that is because of issues with the permitting, specifically according to PUC's order for GPA docket 2107 page 9, says there were several delays caused by the negotiations on a major source versus minor source permitting. So, to move it down to Cabras is going to allow them to pursue minor source permitting, then it goes on to read that while minor source permitting would be faster it is quote, potentially not economically feasible to KEPCO due to higher capital investment requirements to meet contract performance. In other words to seek minor source permitting is going to cost more. So, KEPCO initially went with the major source permitting in order to keep it all up at Ukudu. But because there were problems with that between the negotiations between GPA and KEPCO over this major versus minor source permitting eventually was determined you guys wanted minor source permitting you needed minor source permitting so you renegotiated with them why wasn't all of this sorted out before awarding the contract to Ukudu? Sorry to KEPCO for Ukudu? I mean this is a major part of the contract in fact it seems like it's a make or break part of the deal, In fact in the same PUC order it is mentioned on page 10 and has been mentioned here numerous times that according to GM Benavente. These economic feasibility issues had even led to the possibility of contract termination. In other words it's a make or break issue, why wasn't a make or break issue with the Ukudu contract negotiated before awarding this multi-billion dollar contract to KEPCO for Ukudu?

**Mr. Benavente:** I think the answer to that Senator is really they we had certain criteria's to be fitted out no. We wanted the up to be up at the Ukudu, we wanted so much reliability, we wanted a 50 thermal efficiency which was the key component of this scenario and we wanted a reliability or an availability of the units. It also came about of course we all were discussing with the PUC that because renewables were getting in the picture as perhaps the potential to achieve this contract. So, therefore the contract became more as gnostic and nasty how you say to a certain type. It was written to allow everyone to bet for the type of machinery that can meet the type of system that can meet our criteria. So, they get come in that and they get try to meet the dateline and as well as best as what they believe and so that contract was awarded. Now unfortunately for whatever reason that they missed that as a potential longer term understanding how EPA requires monitoring and all of that I am not I don't know a Senator. But all what I did know was, if we stayed on that path, where it's not going to achieve our deadlines to satisfy USEPA and the consent decree and I was still we were still faced we didn't have any updated consent decree, we were still faced with the hundreds of millions of dollars of penalties that they had they hammer over a head on. So, I had to find a reasonable way to achieve this without impacting negatively or rate payers. I am very happy to say in no uncertain terms that the contract that is there today is very what you call it beneficial to our ratepayers despite the change that major change of allowing us to utilize that 41 megawatt will allow us additional savings and improve reliability. And again you know that that is how some of that thing happened, but again the key here is that as also was mentioned by attorney Ricky if

we don't achieve meeting this consent decree we have some very difficult situations and again yes from the federal courts that from our view of the federal court is one, but secondly you not just you're not going to have enough capacity to meet the generation needs of this island. And if you do try to bring in additional capacity your rates are going to go up and this is what I'm telling you from what I see and I've thought about this for countless hours Senator. So, again that you know I'm not sure I can't answer that question though why the minor major between them all I know is that we had to go in the right direction to keep this contract as down as quickly as possible.

**Chairman Ridgell:** Well really that's my concern was that why wasn't this all negotiated and sorted out in the beginning. Now you guys are coming back to us asking us to allow an environmental exemption and you're sort of putting all the blame on us, that if you guys don't act on this if you don't do anything about this it's going to be disastrous, it's going to be this it's going to cost more money it's going to be that. But this should have all been sorted out in the beginning because this is part of the same contract had to be renegotiated and now it's our fault all of a sudden that the thing's falling apart and now you guys are coming to us saying grant us an exemption it all should have been sorted out in the beginning of this contract the major the minor source permitting where to cite this thing I mean we're talking about a multi-billion dollar contract here that's my concern, with that I'm going to go ahead and move on and allow for my colleagues to ask some questions if you have something you can respond of course.

**Mr. Benavente:** Yes Senator, and again my last response is that yeah, you're correct. You mentioned this is over a half billion dollar contract and of course with that it brings complexity and.

**Chairman Ridgell:** Three billion over the course of the term though.

**Mr. Benavente:** Now the question I have for you Senator is the after we're showing you all of the changes of how the PITI area is going to be clean and the benefits of all of that why is it so you know and I failed to understand why is it so difficult to provide this simple exemption which is simple in my mind no. I don't understand because we're not going to put anything down there really that's going to be detrimental to everyone including the employees that are working in the area no. So, again it's why is it so difficult to get an exemption from the formula for example yourself you know why has it become so difficult I don't understand but.

**Chairman Ridgell:** I don't know why it so difficult to get a major source air permit you tell me.

**Mr. Benavente:** So down there I'm not talking about you know anything else but that's all no okay, so I'll leave it in that Senator thank you.

**Chairman Ridgell:** Thank you. I'll now open the floor to my colleagues to ask their questions beginning with Senators San Agustin.

**Senator San Agustin:** Thank you Mr. chairman I like to reserve to be last if possible. thank you.

**Chairman Ridgell:** Oh yes, I apologize I will allow you to go last to close my apologies Senator Taitague.

**Senator Telo T. Taitague:** Well thank you Mr. chair um and I have to leave at 12 o'clock for another meeting so I appreciate going first, um I'd like to thank everyone who is here to testify I hear your concerns I've read your letters in your testimonies. It's not falling on deaf ears um if there's anyone who knows anything about ultralow for diesel it's myself I introduced it in the 30th

Guam legislature to require that anything coming into Guam has to be ultra-low sulfur diesel. Because of the change in the and the issues of air. I've also worked with GPA during that time to ensure that they used this type of fuel in their generators not only generators but car emissions too as well vehicles were being made with only engines utilizing ultralow for diesel fuel, and not just standard diesel which we're breaking these vehicles down. You know times are changing um we are being more conscious of air pollutions and what we're putting out into the air especially. So, um you know I listened carefully and the one thing that I was hoping to see was a documentation of from U.S. EPA and I think Mr. Horecky you provided a lot of information that you also were given to your members at PUA to review and make their ultimate decision in voting in favor of this generator that will be placed down in PITI. Was there any documentation at all um provided from USEPA that the emissions that will be coming out of this um the 41 um mega plant generator I call it the generator is this safe for the environment do you have any documentation from us EPA or Guam EPA?

**Mr. Horecky:** Well directed to me Senator.

**Senator Taitague:** Yes sir, yes sir, I'm sorry good afternoon Mr. Horecky, thank you again for your testimony too.

**Mr. Horecky:** Thank you Senator Taitague. You know what the PUC was doing at the time was amending the energy conversion agreement between GPA and KEPCO. So, GPA had had come to us the PUC to ask that the energy conversion agreement be amended to take out the 65 megawatt plant Ukudu and substitute the 41 megawatt plant at um PITI. We didn't have anything specific from the USEPA except for the consent decree. And the consent decree of course already required that at that time actually the Ukudu plant was supposed to be built earlier, I believe towards the end of 2022 but that was another change that the PUC also approved. So, then what happens is the U.S. EPA had to come back and approve changes to the the ECA and to the consent decree. And my understanding is they have done that that they've come back and they've approved things such as the extension of the deadline for completion until April of 2024. They approved changes and various other deadlines. So, in my mind that is certainly a if not express a tacit approval by the USEPA of the plans that KEPCO and GPA have agreed to in terms of the 41-megawatt plant. So, that is now a part as I mentioned it's kind of an integral part of the whole Ukudu project and my interpretation is that GPA has to complete the entire project by April of 2024. I hope I've answered your question.

**Senator Taitague:** I did I'll allow Mr. Benavente to continue and talk to talk to us about U.S. EPA and their comments to this using the.

**Mr. Benavente:** Yes, it was a very difficult negotiation most especially again because the October 22, 2022 date could not be met for various reasons of course including pandemic labor and issues and all of that. But before we can agree to the new April 2024 date we had to satisfy some red line conditions for U.S. EPA and that is that we can meet the ambient air quality standard of April 2023 next year. So, therefore we did modeling that which we had sent back to them get it back and forth and which they approve at the end that will convert PITI 8 and 9 to 0.0015 percent sulfur. The one the same fuel which will be the 41 megawatt and that we will burn 0.2 sulfur at CABRAS by the end of this year. So, that combination of modeling was submitted to U.S EPA and that's really in the consent decree which allow us now to complete the plan by April 2024. So in effect that's the



that's the that's one thing what the U.S. EPA you know agreed to the change which is again it cleans the air substantially even before the main power plant come online.

**Senator Taitague:** Well, I'm gonna hope and probably sometimes it's not a matter of hoping it's probably putting in legislation to ensure that whatever you're putting in those in that 41-megawatt generator that it is ultralow fusel diesel, or even lower instead of the 15 pp ppms that it could even be lower than that. We don't want to see used oil being used as have done in some of the other power plants. And combining it so we want to make sure that it's a purely ultralow sulfur diesel. I think it'd be very helpful Mr. Benavente is to get a documentation from the U.S. EPA with regards to the emissions that are going to be you know let out in that area. And if there is any harm I mean if it's sometimes they say that nowadays with the ultralow so for diesel and these engines that are built you know to um take this kind of real clean fuel that vehicles provide even worse when it comes to emissions. And that you know driving by is even worse, so I think that would be very helpful especially gives comfort to many of us who are concerned about the quality of the air coming out, also my last question Mr. chair if I may um Mr. Torres Victor Torres mentioned earlier that the um the uses the usage of this 41 mega megawatt generator is probably going to be only as needed so it's not something that's going to run 24 hours. So, Mr. Benavente can you tell me what is your estimated your you know down to right what how long do you think it will be running in a day and what time it would be in that day? If you have.

**Mr. Benavente:** Estimate I made was probably at probably around three percent of the year perhaps. Three percent really and again the only time that they run for like a little less than a month is once every four years except for some testing.

**Senator Taitague:** Okay thank you Mr. chair I'm sorry to cut you off Mr. Benavente. But I have to attend again I appreciate everyone's testimony and please rest assured that we will our due diligence to ensure the safety of our people and thank you again Mr. chair.

**Chairman Ridgell:** Thank you Senator Taitague. Senator brown.

**Senator Joanne M. Brown:** Thank you very much Mr. chairman. I know it's been a long process since this morning and providing testimony and I certainly concur with my other colleagues that have spoken. We certainly appreciates hearing the views and the very views that have been provided. It's a challenging issue and I've been down this road before, I think those of us that were around in the 1990s, I was at Guam EPA at the time and for those of us that recall the situation that we were in. We ended up in a situation where essentially, we did not and were not able to accommodate the growing demand for power on Guam. We had older operating facilities and hence we ended up with rolling power outages and ended up being a very expensive painful time-consuming process for our community, for our business sector, and the list goes on. It's almost 31 years ago since John Benavente and I had to go to U.S. EPA in San Francisco to try and address the permitting process for fast-track generators it ended up being very complicated to run, very expensive to run and did not provide the degree of reliability in our power system that we wanted and needed at the time, particularly during a time of significant growth in our economy and construction on Guam. I understand the environmental concerns, I'm very much an advocate for protecting our environment. I ran many years ago very much on the issue of environmental protection when most people weren't talking about it, thinking about it or cared about it. And I certainly don't want to put our community in a situation where we are going to continue any type of unhealthy situation, and I have you know attended the briefing that Mr. Benavente provided at

GPA. I also sat in on the virtual meeting that occurred with the mayor and the municipal planning council in the village of PITI, in discussing this issue to also hear and listen to their concerns and relay my comments. So, I understand the situation GPA is in right now and ultimately the rate payers of Guam and the consumers here on Guam that are using power. Right now I'm in my office as you know other senators are we have our lights on and the power is running. And you know aside of course from how we use our power bill and you know issues with that overall we've had reliable power for quite some time. We're in a situation where I see that's going to change if we don't address how we're going to put online additional capacity, including the fact that yes, I would like to see everything be renewable and everything be environmentally compatible. But I understand also it's not going to happen overnight, and we are going to have to go through a transitioning process as technology continues to evolve to make a more effective and you know not just cost effective but I guess a means in which our energy and our impact to the to the environment into the world will lessen as time goes on. I hope that that continues to be the case, but we know it's not going to happen overnight and it's not going to happen to meet the current demands of our community for safe and reliable power. But in those meetings and I did relay to Mr. Benavente, I want some sense if I were to support this bill if maybe it's something I you know I meant and put in the bill. But I do want to have a third party, monitoring of emissions from this facility. I understand and very much recognize the need to retire the existing units of Cabras. We discussed the fact that you know when I was at the Port Authority of Guam we had an incident when the base loads were brought up and our employees including our crane operators were unloading a vessel and as a result of the emissions that came out of Cabras in bringing up that base load generator at one o'clock in the afternoon. We ended up having six employees that had to go to the hospital because of the impact they suffered as a result of breathing in what was discharged from Cabras. So, that obviously is a concern that I recognize I want to see those older plants retired. I want to see more clean and efficient plants and as time goes on. You know our continued conversion to alternate energies that are more environmentally friendly and compatible. I think we want to embrace that we're not fully there yet, and it's unfortunate for GPA that this partnership to build these solar panels at Marbo ended up being such an environmental catastrophe because it didn't add on to the agenda of publicly you know giving the best impression for GPA and its partners with regards to how that whole situation was handled. I still recognize the fact that GPA is working towards looking at alternate environmentally friendly compatible energy sources. So with that I do want to ask Mr. Benavente if that is something that GPA will put in place? So that we have some comfort level because anyone you know and everyone who's a parent a resident whatever the case may be is going to want to be concerned about air quality. The history of that has not been the case the technology has been old and that's the reality of where we come from. I understand it's not something you want to see for the future, but what comfort level do we have for the students at the school and again I mean you're talking about the port authority and the other people that work down at that part of the island. You know we want to ensure better air quality, you know we've seen the buildings be painted white down there and turn gray within a very short period of time and I have a car that rusted very quickly, That I have that you know as a result of having been at the port for six years. So, I want to get your feedback and your commitment with how you're going to address that because that to me is the most critical thing I want to know you know whether I'm going to vote favorably on this bill or not. How can the GPA because we've had a track record that's not always been consistent, essentially demonstrate that GPA can maintain

air quality for this for the students the residents and the employees of the port and other operations in that area Piti.

**Mr. Benavente:** Yes, Senator we took to task what you had noted at the municipal council meeting and, yeah, we're committed to place monitors at monitoring the Port Authority of Guam. Jose Rios Middle School in that part of the Piti village so our team has already begun working on that and actually made a survey, recently, and we will proceed in putting that monitoring system. So then, yes, we'll have independently monitored and report it out and then we can, you can see the changes that occur over time and again, I'm very happy, too, because I've always thought about that. Yes, we're converting Piti eight and nine to diesel, ultra-low sulfur diesel and that will be eventually where we're changing will eventually be retiring Cabras one and two because, again, that is the one that is the most provides burning high-sulfur fuel doesn't provide the cleanest possible alternative. So we're committed. I've already started the task to make that happen and I can assure you we put a program together over the next several months to ensure that we can communicate on a regular basis the air quality within that area.

**Senator Brown:** With regards to the construction because you're essentially having to construct, I understand, new facilities that what you're looking at is this backup, essentially, what you're look at constructing at Cabras is a backup system to the new plant. Looking at constructing in Harmon. With regards to the issues and concerns originally that were raised concerning tsunamis and things of that nature. How are you going to address that with the construction of a new plant because, originally, we were all looking forward to the demise, shall I say, of Cabras, altogether and seeing that converted to something else that would be more compatible. So what is being done differently to address what originally, was it, could the issues concerning why including the fact that these are aged facilities of shutting down Cabras completely.

**Mr. Benavente:** Yes, the Ukudu contract really is about 198 megawatt facility, the standby generators were all part of it to provide it at this facility, additional reliability with the 198 megawatts plus the other capacities that we have on higher ground. We have over 350 megawatts of capacity that is not susceptible to tsunamis. So that would accomplish the goal and the reason why we are putting it up at Ukudu. The 41 megawatt, yes, there's some risks of the tsunami. It's a little higher ground than the Cabras plant, itself. However, even if that was that plan was destroyed, then it would have to be recovered and there will be insurance by the owner of that facility to make that accomplish. But our main key part was to be ensure that we have enough capacity on higher grounds to be able to serve the entire island. Today, we only have about, we can probably serve only about 35-40 percent of the island should anything destroy all our base loads which is Cabras 1 and 2 and Piti 8 and 9 and that are down there, today. When the Ukudu's completed, we have adequate capacity to serve everyone for a minimum of one month because there will have storage, fuel stored enough to operate the Ukudu plant for a whole month after a tsunami. So that gives us an opportunity to go in, fix what we can, get the system back. So that's accomplished. That has not changed with the Ukudu main power plant contract.

**Senator Brown:** So I can also ask, Mr. Benavente, why does it have to be constructed at Cabras. Why couldn't, if it's going to be a new facility, why can't GPA locate this backup elsewhere? Why does it have to Cabras, in particular?

**Mr. Benavente:** You know, it's also part of, not in my backyard but also, we've looked at all the other substations. The only other substation that makes sense to put it on, really was the Marbo substation, which is still owned by the Navy and, again, to try and complete it within this period, we have to go ask, request for a lease for all of his and the cost would have been higher to accomplish that. Even the truck would have to truck oil from Ukudu just to this new plant or other areas. The other location, the Cabras Power Plant have the few oil tanks, there. We have the transmission line. It lowers the cost for the complete construction of this power plant and, also, the operating costs for GPA. So we looked at the other areas. There's really not much left to put it on, Senator. And, again, 41 megawatts even if I wanted to put that at Umatac, I can't put that at Umatac. It's not big enough space and that's too much energy, too much capacity on the other end of the string. So really, we looked at other areas and this was the, I can say the only really feasible site and best site was this site for us to put it on.

**Senator Brown:** Looking at the history of the original law that was put in place with regards to this distance requirement for the schools. I mean, originally we had to deal with the Macheche location and I guess, at the time and John, because you are such a historian having been at GPA as long as you have. I mean, you recall the reason as to why because there were complaints by the adjacent elementary school when that was first brought online. And I understand, since then, GPA has hired the stack at that particular location. So can you elaborate on that? For clarification, because we understand the law was put in place in 1993. There was a reason for it. There was impact of students, at the time, and faculty members that were working and going to school at the adjacent location and since that time, with what actions have been put in place to correct the issue. I also want you to elaborate. Have there been any further concerns since 1993 with regards to the operation of the facility adjacent to that school?

**Mr. Benavente:** Yeah, correct, Senator. The original stack height recommended at that time was 45 feet for the 5-foot stack. Running the plant, thereafter, created some environmental issues. You know, the fumes and all of that from the school. So therefor, it was readjusted up to 150 foot steel and burning 0.5 percent sulfur fuel at the time and that corrected the problem there back in the 90s which, then, again, because it was more a standby generator site. It didn't operate as much as he is really actually doing these days. But then subsequent to that and, again, this is all part of bring the 0.0015 percent software whereby GPA having agreed to do all of that for the island, they can allow one fuel source to be used to the power plants and for the new vehicles they are required to burn out ultra-low sulfur diesel. So we changed that again which improved, again, from a 0.5 which was marine diesel, it improved it to the 0.0015. We haven't had any issues, complaints from that area and, again, like I mentioned, for the past four or five years, Macheche plant has been running about 4000 hours out of the 8000 hours, per year and so that is correct in that problem and, again, we're not looking to put of course even the new Ukudu plant. We try to make sure that we stayed out of the 15000 feet as per the law. But here, Cabras is what is the industrial area that we can put in, we have to buy property. All the infrastructures are there, it's an ideal site for.

**Senator Brown:** I just have a couple more questions, John, with regards to the construction of your new facility. I mean, you talked about the fact that this new powerplant is going to be able to adjust to alternate fuels. Can you elaborate on that? Just to update us in the public with regards to what the benefits are going to be with a new plant and then I also want you to elaborate, I know I can always come back if we forgot the question but I want you to elaborate on what the alternatives

are if we don't proceed and the last thing is going to go back to my issue with Cabras because I'm not only going to want to make sure there's monitoring there but I'm also going to want to make sure you guys have protocols in place and proper notifications to the adjacent partners down there when you need to bring up or if the unit goes down, you need to bring it up so there's awareness and consensus and understanding and partnerships going on down there that, in some cases, in the past have not always happened that have led to the problems that we've encountered with the older units operating.

**Mr. Benavente:** Yes, first the startup with the Cabras units, we do have that protocol in place, now, there we call up before and again that was the result of actions that you were concerned and, of course, rightfully so, that's being addressed and we can put that all as part as one plan. We can show it to you so that at least from your experience of what you've seen, you're satisfied with the plan that we're committed to make that happen. But today there is some product to make sure we call people up. Secondly about diversified energy the CCU PUC and ourselves really looked at the new power plant burning ultra-low sulfur diesel primarily and must be capable to burn natural gas which is cleaner than ultra-low sulfur diesel. The new powerplant is being constructed, the generators can burn both and the pipelines are being constructed all the way from Cabras to Ukudu with two pipelines, one for natural gas and one for diesel in preparation that once it's vetted out and once everyone agrees, we can bring in natural gas because it does lower, there's additional savings for bring in natural gas including lower operating costs because of the machines operate cleaner better, last longer so that's the diversity of fuel source, then the other part of the plan is as we add more renewables initially Ukudu is going to be running at what we call about 75 of when for whatever period of time, it will run right the whole year but 75 percent capacity factor, we call it, when you put more renewables on over the liquid in 2030, then that capacity factor is going to come down. So we'll be running it more like somewhere around 60, 55 capacity factor because the more we put renewables, the less fuel it consumes. The less capacity, the less that Ukudu runs. So we have a lot of base load at Ukudu. The 41 megawatt is only a reserve. If something happens that we have to make repairs and the renewables are going to constantly over decrease, the amount of energy we produce from the fossil fuel reducing the amount of import of oil and then reducing the amount of emission. So that's the plan and that's what the opportunity that the new power plant provides us.

**Senator Brown:** John, to wrap up, I would like to know and I think it'd be important the public to know, if we don't move forward with this and, again, we live through load shedding and we lived through the period of time, the legislature politically back then, we controlled the rates and pretty much kind of the operations of the Guam Power Authority through legislation and we saw where that led. That's one of the reasons I was such an advocate of supporting the creation of the CCU and breaking out GPA and the other utilities from the direct political oversight because we saw where that led us and it wasn't in a very good place. Our people really suffered during that time, especially during a time of tremendous economic growth on Guam, although we've not seen since then. Where do we go from here and you're part of the institution of GPA and you help gets us out of that where how long will GPA be able to sustain right now. And every now and then we have roaming, our power outage here and there. Maybe it's repaired the system, whatever the case but not anywhere what we were going through back in the chaos of the early 1990s. What do you foresee right now if we don't move forward with this and we can argue among ourselves about all these issues but when the sun sets literally on this, where are we with regards to GPA's capability

to continue operating with this existing system if we don't move forward the construction of this new power plant and obviously the requirement of having this backup at Cabras where are we going to be and when are we going to get there?

**Mr. Benavente:** Under slide 15 of my presentation and the thing that sums it all up, first of all, we can work with the capacity we have for the next two to three years to achieve until the overdue power plant is completed. But if we don't do anything then, yes, you're back to the load-shedding blues of the nineties. No, the alternative to that is if you're not going to pass this then we need to bring in temporary power or whatever not temporary anymore. What is going to be a future source of power. So, yes, page 15 of what we've provided really shows. Yes, first of all remember federal court the way they could come in and say well, it's the federal court, they're saying you must comply with the consent decree and I'm not a lawyer but like what Fred understands that knows and tells me non-certain terms there's a severity of this consent decree if we don't need it and more importantly because we couldn't provide an exemption for 200, 300 feet, then what would the courts do? They could come in again and end up to be like what happened to the other areas. Secondly, there's a lot of low growth that's going on this island the military is coming in to accomplish building all these facilities, more businesses, affordable homes are coming on we can lead that growth then the renewables and I can't achieve the mandate of 50 or anything like that. I'm going to have to try and keep the lights on in whatever which way I can. So there's not that immediate focus on achieving the renewable portfolio and last but certainly not the least, repairs cost is going to go up because we're going to have to bring in more machines. They're going to not going to be as efficient as the base loads that we have today because you're not going the plan is extremely, in my opinion, a gift to us in terms of this episode. It's so efficient. It can save us millions of dollars in people so like Fred mentioned earlier, we're really in dire consequences if we don't accomplish our plan. One may say, well is this 41 I'm going to kill, well you know, I don't control all the variables within that. I am trying my best to make sure that nothing gets in the way of getting this plan down which is the cornerstone to add more renewables. Make sure the air is clean and lower the power rates for our customers because right now at 17 cents a kilowatt hour I'm sure there's a lot of people struggling. We want to get it down towards what you got 20 cents or so and why is that because when it was 20 cents, Senator? I'm one of the most popular people on the island. Thank you, John, while the power rates are good. It becomes more and more affordable but you've been here but the pictures has not all been good up and down on fuel costs but always heading up on the 30-45 degree angle and so we want to end that and then and what I have before you is really, I'm committed and it is achievable and we're well on our way to make it happen then the proof is in the pudding. I will be accountable for this plan. I am accountable. So in two, three years to four years, and it's not been accomplished and I'm still, I hope I'm still alive in that period of time but you can come to me and say what I didn't achieve what I provided before you. With some help, this will happen, Senator. I will be very happy for the rate-payers.

**Senator Brown:** Well, I'm not going to belabor it any longer. I certainly appreciate the time the Chairman has provided me but certainly, Mr. Benavente, I'm going to definitely hold you to task with regards to monitoring the requirement and again the protocols with regards to all the neighboring interests in the village of Piti because I think we all and I don't doubt for you and the GPA family, we're going to want to ensure the safety and welfare of the employees of GPA and the employees at the port and the supporting industries that are down there and certainly the residents and the children that go to school in Piti, I think we all collectively agree that that's a

priority and we've got to balance that with the growing demand for power and the need for power in our community because right now, everything's okay because the lights are on but I think once those you know once that goes the other way as we've experienced, you're going to have a community in uproar and understandably so. I mean we can't do the things we need to do without having the basic ability of accessing power in our community so with that, thank you, Mr. Benavente, for answering my questions and certainly, thank you, Mr. Chairman, for the opportunity to be able to ask these questions of Mr. Benavente. Thank you.

**Chairman Ridgell:** Thank you, Senator Brown. Senator Duenas, you're recognized.

**Senator Christopher M. Duenas:** Si yu'os ma'ase, Mr. Chairman and I certainly concur with the retiring speaker Senator Brown. She covered a lot of the ground that was going to also acquire about so at this time I just wanted to make sure that I was here throughout this presentation to hear the very balanced perspective. I guess that's been presented, today. I certainly and am excited about the young people that have showed up, today, and their desires to preserve our environment and to see our island going forward and what it can accomplish in the future. But I do also believe that it's very critical at this point with the presentation that's been made to be able to sustain going forward and to be able to achieve that. Mr. Benavente, I guess I would just ask one more time, I've heard this presented by the CCU a number of times that actually with the renewables that are coming online that you're actually in advance of what you were formerly going to be required for renewables and, once again, just to restate the fact that this particular plant under the bill that we're considering in terms of the integrated master plan and what it's going to require for the renewables to operate that critical nature of that so that we could try to let those younger generation and those who have come online to know that this actually is an opportunity to facilitate moving towards those renewables as oppose to the opposite so if you could just reinforce that and I want to congratulate you on the plan you've put forward and that what you've achieved, so far. Si yu'os ma'ase, Mr. Chairman.

**Mr. Benavente:** Well, thank you, Senator, and yes, sir you are correct. We hear the voices of our younger generation. I hear the voices and I'd like to assure them that this is the plan that actually will achieve what they're asking for and, of course, it may not be at the speed that they're requesting they might not ever may say that they may want it today or tomorrow but as we can see, even the whole nation is looking at 2045, 2050 and ourselves, we're trying to achieve that much faster but again, the system has to be able to accommodate and accept more and more and thousands and thousands of generators talking together and operating to give you very smooth quality of electricity and so that that is what we're working on. We will make it happen which is what I hear them wanting to see and it's just that it doesn't take some time to make it happen and this is actually the cornerstone to the delivery of their dreams. Thank you.

**Senator Duenas:** Thank you, Senator. Thank you very much. Just in closing, you know in the presentation as well which I think GPA and CCU and others can continue to push forward is there are systems that are very aggressive, particularly in California and some of the other states that have been aggressive but they've seen the growing pains of that issue, they still want to get there but they've had to rethink and go back to making sure that they have stabilized generation in order to get the renewables as technology continues to develop and I just think that's critical for our island and we have to sustain ourselves at this point in order to get there and I know that Victor Torres was on, earlier. He's the younger generation, as well, as an engineer, Mr. Benavante, going

to fill your shoes real quick, I'm sure and I was encouraged that you go young people like that who probably think along the lines of a lot of our young people presenting, today, that he's the future also to get us there. Si yu'os ma'ase.

**Chairman Ridgell:** Thank you, Senator Duenas. Speaker Terlaje?

**Speaker Therese M. Terlaje:** Thank you very much, Mr. Chair, for allowing me to ask a few questions and I know that many questions have already been asked. So, I've been trying to following along as best as possible but I'd like to follow up on just a couple. So it looks like the US EPA controls the deadlines, here, that you say if we don't meet, that's the big disaster for Guam. It's meeting this deadline so the consent decree penalties do not fall down on us and in order to do that but it seems to me also that the US EPA also controls the permitting process and could you just confirm that, first of all, as for the permitting between minor source and major source permit. Are you looking at a US EPA permitting or are you talking about local permits for that, who are you dealing with those permits?

**Mr. Benavente:** You would have been doing not only but more for all of the US EPA under the local permitting under minor source, you deal with Guam EPA which, of course, through consultation with the US EPA. Now there's two even within the US EPA as I have learned and to this day understand the enforcement department of US EPA is the consent decree component that we deal with and set the dates when we go to permitting air permitting, there's the permitting department. They're really independent of each other and one does not have to, they unfortunately cannot tell the permitting that you will approve the GPA permit so we have to go to work process and throughout this and that's one of the things I mentioned earlier. We had to do a modeling of all the emissions to show that we can meet the April 2023. So that was through the enforcement group, the permitting group and ourselves proving that that could be accomplished so those are the entities and even within the entities. We encourage one to please let the other know that of the importance of this project but everyone has the different all these spaces don't have to listen to the other.

**Speaker Terlaje:** Well, that explains what I'm asking is it's because US EPA controls both the deadline and the permitting process and potential delays in the permitting process, right? That why aren't we just negotiating with them. So I understand what you said and so it looks to me like so Guam, we have the option of either finding a difference for the 41 mw unit and you've explained just an answer to Senator Brown why this is the site that you prefer and that there were no other sites that you found that can put this on so it's that it's either we find another site or we go back to the original and we change the permitting process right we go back to the 65 or we go back to the Ukudu and put it up there and change the minor permitting to the major permitting or right that we can change that process and we get an extension from US EPA in order to do that and I just wanted to confirm. I know Senator Taitague asked about US EPA's approval of the 41 mw unit down there at Cabras and I'm reading in the order that says US EPA has indicated it is not opposed to change the diesel location and the permitting process to minor source. It believes that the amendment would address the avoiding of delays in the permitting process. I don't know. Does that sound to you pretty solid, Mr. Benavente, that they will not delay in permitting that 41 mw down at Cabras?



**Mr. Benavente:** There's never a guarantee but what's the guarantee right now for us if we proceed if the capital and this lenders, they let the money go from the lenders, let the money go and can proceed in getting the Ukudu plant going, of course, they're still working on the air permit at this time, answering, going back and forth but we believe that would happen. As soon as possible but the key, here, now because of this 41 megawatt. It also would have its own permitting process, also.

**Speaker Terlaje:** That's what I'm asking about.

Mr. Benavente: It would have its own permitting process and again but we can't start that until we satisfy their concern about the public load of 1500 feet and so we are also working with one US EPA on trying to get that plant and understanding of how to permit it so that we can achieve the goal that we're trying to do, today. But it does have his own separate permitting, the Ukudu and the ---

**Speaker Terlaje:** That's why I'm asking because I hate to see us sacrifice to split them up, put one down at Cabras despite the objections of the community or some of the community and then get delayed by the permitting process for that unit down there because of other concerns and after you've already invested in this type and so I don't know I just feel like US EPA is controlling the deadlines yet they're controlling the permitting and the delays and permitting and what you have to negotiate with them as to which one you're going to go with here and I'd like to see their approval in advance if possible so that we know in the end when we change the plan and decide to put the 41 megawatts that we're not in the end still going to violate the consent decree and still be in that position that we're all trying to avoid, here, and that you're putting the legislature's feeling the pressure of, if you don't do this, we're going to all suffer the penalties of that consent decree and so we need to know for sure that if we do this, are we sure we're going to meet these timelines and are you sure that 41 megawatt plant is going to get approved those are the types of assurance I'd like to see and I wanted to make sure, too, that there was no local permitting that was delaying this, as well, so I'm glad to hear. It's not local permitting.

**Mr. Benavente:** Just last week at least approved the federal order for April 2024 date before that we were they were going through the federal process to get that approved and finally, that has been approved so it's incumbent on us and the contractor to achieve that April 2024 date at this point and so that's what I'm trying to do is I'm trying not to give them any reason to delay this plan but right now our new goal that April 2024 has been approved by US EPA.

**Speaker Terlaje:** there's been so much excellent testimony, I want to thank everyone who's testified but, for me, I want to see if we can in advance or if we can see before we pass this bill, what EPA says about the 41 megawatt plant being built at down there at Cabras what did they say are they going to permit that in other words, are they going to say that it meets air quality standard and that it's safe for the people of Guam. I'd like to see that if we can and I know it feels like we're kind of gambling on that almost and I don't want to feel like we're gambling. I want to feel like it's pretty set if that's the course that we're going to take. That's all. Thank you again Mr. Benavente, Mr. Horecky and all of those that testified. Thanks.

**Chairman Ridgell:** Madam Speaker, if I may, we need, I'm being told by our audio visual department that we need to take a break so they can reset because they can only do this in four-hour timeslots. So we'll take a short five-minutes break and then we'll resume and allow the rest of our colleagues to ask questions. So, with that, we'll take a five-minute break. Thank you.

Alright, we're continuing for Bill 213. Now with Senator Sabina Perez, you are recognized.

**Senator Sabina F. Perez:** Thank you, Mr. Chair, for this opportunity. So I'm hearing very closely, I'm following very closely the public testimony and I'm hearing that there definitely is an issue with continuing reliable energy as well as promoting renewable energy. I think these are the two things that are really coming out ahead. Also, I have great concern about the compliance, the consent decree that Guam Power Authority has to achieve as well. So these issue are weighing on me very largely and I guess I would like to see because I know there is also a mandate for 100 renewable energy by 2045 and I did see, I was looking over your presentation, Mr. Benavente, in regards to achieving 50 renewable and what I'm hearing is that the constraints of obtaining that amount, is that there has to be some sort of backup energy source to mitigate the fluctuations when it comes to night-time usage because most of our renewable energy right now is due to solar power. Has GPA looked at viable sources that can perhaps a renewable resources that can supplant fossil fuel burning power generated through fossil fuels, is there a reliable renewable energy source for nighttime?

**Mr. Benavente:** There are some points but from what I can see, there's not many options for us other than solar PV at this time. Some other options that have been helping the nation and other in Europe and other places have been wind energy. Unfortunately, our wind blows mostly trade winds blow between December and March. Thereafter, it's just substantially down. I can't come down and so a wind could help us a little bit but it's really not the one that's going to get us 50 or 100 percent. Solar PV can, other sources waste to energy will give us about three percent of our energy with all the waste that could be burned and converted to energy. Another potential is, however, it's just now being worked on the be commercially tested is what you saw. Don't get spooked. I'm sorry. I was going to say, please, I don't want to spook you but this, they're called small nuclear modular units. That doesn't have the plutonium waste that the current nuclear plants have and they come in like 50 megawatt models and, again, we've been following this for the past 10 years and it's probably going to take another 10 to 15 years before it's really being commercially viable, run through the systems or get all the bugs out but again, that's another potential. Ocean thermal, that was one of the first things that came when there was a young engineer back in 1975. Ocean thermal was supposed to be our energy source and again, today, no one has commercially pulled out the ocean thermal reducing on a sustainable basis. Deep sea air conditioning could help reduce our load. We did that study about 15 years ago, again, the military might look at that in the coming figure but that's still a resource that has to be vetted out more and again look at the feasibility on. So really the integrated resource plan, Senator, and I will make sure we get you a copy and the CCU will be passing that next week, lays out our plan for this that shows that we will work towards achieving and subject to the PUC approval about 400 megawatts, additional solar PV systems and we better work on a utility scale and other opportunities. Rooftops or others to make that happen, right now, utility scale is the lowest cost is really like half the cost of a rooftop solar system. So the plan, integrated resource plan is will be passed by the CCU, soon. I don't want to be presumptuous but indications are passed. It adds 400 megawatts more and that would make us

achieve the 2035 mandate by 2030. The other end of this decade but it's coupled with the Ukudu power plant and the 41 megawatt as our backup and reserve so the combination of all that is the new integrated resource plan plus about 230 million dollars' worth of investments that we will have to re-study and move forward on to allow renewables in the study center. You also see that there are some circuits on the island that have too much solar PV at this point which is actually impacting the quality of energy to non-solar customers. That's something we're going to have to address soon and will require probably batteries within those circuits to be able to make sure we get the quality of electricity into all customers in that area within the plus or minus five percent voltage what we call voltage range right now, some of them are as high as 125 percent which is causing flicker. A higher lighting in the area and of course could be detrimental to their equipment. This is the growing pain. This is the process we're committed to. The mandate and actually the integrated resource plan of 2022 is showing. I will show the legislature and the community that this is where we're heading to achieve this. But we do need the cornerstone of this is the power plan and of course the 41 megawatt provides additional savings for us.

**Senator Perez:** Okay. Thank you. You'd mentioned earlier that so the Marbo Cave area, the solar farm there, should be up and running in April of this year. Is that correct?

**Mr. Benavente:** Correct.

**Senator Perez:** So then how much renewables will we have at that point?

**Mr. Benavente:** At that point, you have that Marbo which is 60 megawatts. Plus we have the 25 megawatts up at Dandan, we will have 85. Then the following year by the end of December 2023 we have which is another 60 megawatts coming on. We have one contract which is ready to be vetted for approval and award but the CCU, PUC is for about 40 to 50 megawatts on Navy land that we are leasing at no cost from them and that unfortunately has been going through the protest process. It went to the OPA and the OPA ruled in our favor that we did it correctly and it was fair to avoid that contract. But now it's in the superior court and after the hopefully the superior court rules in our favor and we can get that on the line, too, around 2024, 2025. So those are already bids that happen. Contracts that are in place. So the plan that I put together showing the numbers and the percentage of renewables and all of that. Those are backed up by contracts and actions that are being taken today. So, yes, it's something that's going to be a reality if we stay the course.

**Senator Perez:** So what is a safe procedure if we are generating 145 megawatts of solar power and a backup energy source, what's the recommended amount?

**Mr. Benavente:** Much early on, I also have a presentation that showed that if we go 100 renewables on this island we have to have a backup reserve without any conventional unit for just one day of reserve. It will cost an additional seven cents a kilowatt hour on your rate. Two days. That will make it 14, three days will be 21 cents or so. Having solar PV and renewables as your backup source is very, very expensive, now, I've also shown in the presentation that in 2019, in the month of September. I think 20 to 30, 20 out of the 30 days, it rained. So therefore, three days of renewable backup reserve is not going to cut. It's not going to address that situation. The new powerplant, Ukudu, if we did not generate a single kilowatt hour energy as a backup for the system will cost about five cents a kilowatt hour and you don't and again, that's all you will be spending. Five cents a kilowatt hour, to have the backup and you can add as much renewables as you want

at a minimum at a lower cost. So that's the feasibility and that's the numbers that have run that provided the presentation and are still true, today, at this point.

**Senator Perez:** So the other concern that I have is the Cabras one and two which provides I think the majority of our power needs that it's in the last leg. I think in addition to the regulatory deadline. We really need to provide some sort of reliability on that end. So my line of questioning was to what extent and how we really exhausted the possibility of relaying more on renewable energy because one of the things is the loss of opportunities as we are putting more money into fossil fuel burning plants. Perhaps there's less funding for these types of projects. I would like to get more information on that regarding what is the opportunity cost.

**Mr. Benavente:** Yeah, we can provide more information but I think what we're also noting with the plan we put together is that it's the cheapest way to add more and more renewables even with various lower reliability. The reliability of the 24/7, 365 days a year with the rains or typhoons or whatever will be provided by this fossil generator and you put more and more renewables so you don't depend on them more than as a backup so the Ukudu plan will continue. I will note in the reports. We'll start off with about 75 to 80 percent generating 75 or 80 of what it could generate by 2030. You're looking somewhere around below 60 percent the plan. So as more renewables come on the consumption of fossil fuel by that plant backs off and so therefor when you get to 100 percent is basically then becomes zero and as a reserve only under extreme conditions. Now one may say, okay, 2045, if it's a stranded asset, that's about 20 some years from now. So the new Ukudu plant, today, will be a little over half of its life so it really doesn't become a stranded asset, anymore, but it's critical for us to maintain the quality of life we have, today, and to achieve and add more renewables on a sustainable basis so we can reduce our costs and at the same time reducing the dependence on fossil fuel. So that's kind of what that slide 14 and so indicate and the new IRP, we're already moving towards the 50 mandated. The IRP mentions, for sure, why it was developed. It was developed towards achieving the 50 renewable at the lowest cost possible for the ratepayers. But the cornerstone of that is the Ukudu plan because the converse of that, everything is like Attorney Horecky mentioned, here, everything is just dire and I couldn't have said it any better than he did. The other concern, of course, environmental concerns are also foremost on my mind in regards to power plants. Obviously, it's one of those things where you don't want to build in your own backyard like landfills and mitigating those environmental concerns, too, us what is the least impactful? Of course the USPCA is the one that's permitting it or at least now it's Guam EPA would be in charge of that under US EPA's oversight. But this bill is seeking an exemption to be to place a power plant within a 1500 foot radius of a school and I'm sure US EPA is looking at this. But regarding because children are one of their most vulnerable populations, are the standards stringent enough when it comes to this particular project is one of my concerns. The standards are, again, in my opinion very stringent. One red line was we couldn't operate Cabras one and two and Piti through April 2023 unless we met the new ambient air quality standards. So as it was mentioned earlier, we are converting Piti from burning that two percent residual fuel oil to ultra-low sulfur diesel. We're spending 15 million dollars and the price of the production of that plan is going to increase by 30 percent. We're all changing Cabras one and two from high sulfur, two percent sulfur that will be burning 0.2, very expensive low sulfur residual fuel oil by the end of his year. So all that is really to meet the ambient air quality standard which, of course, is for everyone and therefore, it does substantially improve the environment and save for everyone in addition under the tradewinds over towards the school like it was like three percent

of the year maximum. It didn't specifically say three percent when the school students are but worse case, three percent heading inland and when the trade winds are going inland, that fume is going beyond the island. We're not endangering the kids that are over there most especially so the diesel that we're using is the same diesel that the buses use and are over there picking up the kids, the kids are passing by doing everything, everywhere so it's really the same field which is the cleanest. Although the cleanest diesel that is on the market today.

**Senator Perez:** I appreciate the responses. I think if there's any way that we can maximize the renewable use of renewable energy, if we can rely on that more, I do have concerns about this being that it's situated next to a school and perhaps if I have any further questions, I'll definitely bring it to the chair as well as GPA. Well, thank you for your responses. Thank you, Mr. Chair, as well as GPA, thank you for your responses. Thank you, Mr. Chair.

**Chairman Ridgell:** Thank you, Senator Perez. Are there any senators online right now? I know there were some but I think some have dropped off. Please speak up, now. There's any other Senator. I'm just looking around. I don't see anyone but in case I missed you, please speak up. If not, I will allow Senator San Agustin to close.

**Senator San Agustin:** Thank you Mr. Chair. First of all, I'd like to thank everyone that participated and testified. Thank you GPA and for the PUC representative, Attorney Horecky. I've listened to all the testimony and with that and as the Chair committee to consider all their testimony and place in the committee report and then we'll hopefully it'll see its way to the floor and we can debate that heavily and consider all the recommendations that have been placed for it because we all have to remind ourselves that number one, you need reliable energy in order to pick up the renewable energy and when a storm comes, let's hope that the solar panels are all still up because the because the power plants will more than likely still be up. It's like a concrete home. They'll still be standing. Everything else attached to it will be gone. And with that note, I thank you, Mr. Chair for hearing the bill and we'll move forward to the next one. It's already after one. Thank you, sir.

**Chairman Ridgell:** Thank you Senator San Agustin. If there are no further questions or comments, this concludes our discussions on Bill 213-36 (COR). We will recess for five minutes before we proceed with discussions on Bill 212-36 (COR).

[Testimony proceedings on Bill No. 212-36 (COR)]

**Chairman Ridgell:** The committee will continue to accept written statements on today's hearing within 10 business days from today which may be mailed to my office at 238 Archbishop Flores Street, Suite 906 of the DNA Building in Hagåtña. You may also send your statements to us at [clyntridgell@guamlegislature.org](mailto:clyntridgell@guamlegislature.org). That's c-l-y-n-t-r-i-d-g-e-l-l at Guam legislature dot org. Or you can send it by fax to 475-4768. Thank you for your participation. Today this virtual public hearing is adjourned. It is 2:28 pm.

The Public Hearing was adjourned at **2:28 pm.**

### **III. FINDINGS AND RECOMMENDATIONS**

The Committee finds:

- The relocation of the diesel units from the Ukudu site to another site became necessary when it was determined Guam Ukudu Power LLC's original intent to seek a Major Source permit would not meet the time deadline of April 30, 2024 as agreed to by the Guam Power Authority and the U.S. Environmental Protection Agency, forcing Guam Ukudu Power LLC to seek a Minor Source permit.. Another change made when pursuing the Minor Source permit was amending the original plan to construct a 41MW reserve unit rather than the planned 65MW reserve unit.
- It was the Guam Power Authority who selected the Cabras site as it had been deeded to them by the U.S. Navy in 1976 for operation of fuel oil storage and a steam power plant and was deemed sufficient in available space to construct the 41MW plant.
- Guam Ukudu Power learned of the restriction on the construction of a power generation facility in excess of 1MW within one thousand five hundred (1500) feet of a school as it was securing financing for the 41MW diesel plant.
- The Cabras site, designated as Lots No. 261 and 257, are within One Thousand feet (1000') and One Thousand Five Hundred feet (1500') feet of Jose Rios Middle School.
- The Piti Municipal Planning Council had been given a presentation by the Guam Power Authority on plans to site the 41MW plant at Cabras. The Piti Municipal Planning Council subsequently issued a letter supporting the bill granting an exemption.
- The Guam Power Authority believes the siting of the 41MW plant, its burning of Ultra Low Sulfur Diesel, and being used primarily as a back-up generator, will not severely impact the health of the residents of Piti nearest to the Cabras site.
- A number of residents submitted online comments both in favor and against the granting of the exemption.

Based upon the review of the testimony and the examination of other information related to the request for refinancing, the Committee recommends the following:

- The bill be reported out as introduced.

The Committee on Economic Development, Agriculture, Power and Energy Utilities and the Arts hereby reports out on Bill No. 213-36 (COR) - Joe S. San Agustin - An Act to *Add* a New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation, with the recommendation **TO REPORT OUT ONLY**.

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

**Bill No. 213-36 (COR)**

Introduced by:

Joe S. San Agustin 

**AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8,  
TITLE 12, GUAM CODE ANNOTATED,  
ESTABLISHING AN EXEMPTION FOR THE  
CONSTRUCTION OF NEW FORTY-ONE  
MEGAWATT CABRAS ULTRA LOW SULFUR  
DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY  
APRA HARBOR RESERVATION.**

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

**Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan*

finds that Guam Power Authority (“GPA”), pursuant to a Consent Decree with the U.S. Environmental Protection Agency and U.S. Department of Justice, is required to construct the Ukudu power plant and associated Forty-one (41) Megawatts (MW) diesel units by April 30, 2024. The diesel units were required to be relocated to the Cabras industrial area on Lot 261 to ensure that the Ukudu power plant could be constructed using a minor source permit.

*I Liheslaturan Guåhan* further finds that the proposed construction area on Lot 261 is within 1,200 feet of Jose Rios Middle School. The new 41MW diesel plant is for emergency/peaking use, and will use clean burning Ultra Low Sulfur Diesel. This site is within the Cabras industrial area, and was deeded to GPA by the U.S. Navy in March 1976 for operation of fuel oil storage and a steam power plant. An exemption is needed for the construction on Lot 261, as §8119 provides that “no power generation facility, with a capacity in excess of One (1) Megawatt

1 and utilizing fossil fuels, may be constructed within One Thousand Five Hundred  
2 (1,500) feet of a school.”

3 It is therefore, the intent of *I Liheslaturan Guåhan*, to ensure compliance  
4 with the Consent Decree with the U.S. Environmental Protection Agency and U.S.  
5 Department of Justice, by authorizing an exemption in §8119 of Chapter 8, Title  
6 12, Guam Code Annotated to the Guam Power Authority.

7 **Section 2.** A new §8119(a) is hereby *added* to Chapter 8, Title 12 of  
8 Guam Code Annotated, to read:

9 **“§ 8119(a). Exemption.**

10 The construction of the new Forty-one (41) Megawatt diesel  
11 units burning Ultra Low Sulfur Diesel on Lot 261 and 257, U.S. Navy Apra Harbor  
12 Reservation, is hereby authorized, and is exempt from the provisions of §8119,  
13 Chapter 8, of Title 12, Guam Code Annotated.”

14 **Section 3. Severability.** If any provision of this Act, or its application  
15 to any person or circumstance, is found to be invalid or contrary to law, such  
16 invalidity shall not affect other provisions or applications, and to this end the  
17 provisions of the Act are severable.

18 **Section 4. Effective Date.** This Act *shall* become effective upon  
19 enactment.





Vice Speaker

**TINA ROSE MUÑA BARNES**

**CHAIRPERSON, COMMITTEE ON RULES**

*I Mina'trentai Sais Na Liheslaturan Guåhan*

GUAM CONGRESS BUILDING  
163 CHALAN SANTO PAPA  
HAGÅTÑA, GUAM 96910  
TEL 671-472-2461  
COR@GUAMLEGISLATURE.ORG

October 22, 2021

# MEMO

**To: Rennae Meno**  
Clerk of the Legislature

**From: Senator Amanda L. Shelton**  
Acting Chairperson, Committee on Rules

**Re: Fiscal Note on Bill No. 213-36 (COR)**

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*Håfa adai,*

Attached, please find the fiscal note for the following bill:

**Bill No. 213-36 (COR)**

Please forward the same to Management Information Services (MIS) for posting on our website.

If you have any questions or concerns, please feel free to contact Mary Maravilla, Committee on Rules Director at 472-2461.

Thank you for your attention to this important matter.



## Bureau of Budget &amp; Management Research

Fiscal Note of Bill No. 213-36 (COR)

AN ACT TO ADD NEW §§8119(A) TO CHAPTER 8, TITLE 12, GUAM CODE ANNOTATED, ESTABLISHING AN EXEMPTION FOR THE CONSTRUCTION OF NEW FORTY-ONE MEGAWATT CABRAS ULTRA LOW SULFUR DIESEL UNITS ON LOT 261 AND 257, U.S. NAVY APRA HARBOR RESERVATION.

Department/Agency Appropriation Information	
Dept./Agency Affected: Guam Power Authority	Dept./Agency Head: John M. Benavente, P.E., General Manager
Department's General Fund (GF) appropriation(s) to date:	\$0
Department's Other Fund appropriation(s) to date:	\$0
Total Department/Agency Appropriation(s) to date:	\$0

Fund Source Information of Proposed Appropriation			
	General Fund:	(Specify Special Fund):	Total:
FY 2021 Unreserved Fund Balance	\$0	\$0	\$0
FY 2022 Adopted Revenues	\$0	\$0	\$0
FY 2022 Appro. (P.L. 36-54 thru )	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$0	\$0

Estimated Fiscal Impact of Bill						
	One Full Fiscal Year	For Remainder of FY 2022 (if applicable)	FY 2023	FY 2024	FY 2025	FY 2026
General Fund	1/	\$0	\$0	\$0	\$0	\$0
Special Fund	1/	\$0	\$0	\$0	\$0	\$0
Total	1/	\$0	\$0	\$0	\$0	\$0

1. Does the bill contain "revenue generating" provisions? / / Yes / X / No  
If Yes, see attachment
2. Is amount appropriated adequate to fund the intent of the appropriation? / X / N/A / / Yes / / No  
If no, what is the additional amount required? / X / N/A
3. Does the Bill establish a new program/agency? / / Yes / X / No  
If yes, will the program duplicate existing programs/agencies? / X / N/A / / Yes / / No  
Is there a federal mandate to establish the program/agency? / / Yes / X / No
4. Will the enactment of this Bill require new physical facilities? / X / Yes / / No
5. Was Fiscal Note coordinated with the affected dept/agency? If no, indicate reason: / X / Yes / / No  
/ / Requested agency comments not received by due date / / Other:

Analyst: Abigail Reyes, BMA III Date: 10/20/21 Director: Lester L. Carlson, Jr., Director Date: \_\_\_\_\_

## Notes:

1/ The proposed legislation intends to add a new section §8119(a) to Chapter 8, Title 12 Guam Code Annotated (GCA) to allow for an exemption from the requirement of §8119 of Chapter 8, Title 12 GCA in order for the Guam Power Authority (GPA) to construct the Ukudu power plant and 41-megawatts diesel units (pursuant to a Consent Decree with the U.S. Environmental Protection Agency and U.S. Department of Justice). §8119 of Chapter 8, Title 12 GCA states: "No power generation facility, with a capacity in excess of one (1) megawatt and utilizing fossil fuels, may be constructed within one thousand five hundred feet (1,500') of a school." However, the preferred location for the construction of the diesel units to enable the use of a minor source permit, specifically Cabras industrial area on Lot 261, is within 1,200 feet of Jose Rios Middle School. As per the proposed legislation, the diesel units to be constructed will be burning "Ultra Low Sulfur Diesel". As such, the exemption from §8119 of Chapter 8, Title 12 GCA is requested through this proposed legislation.

While the proposed legislation does not include revenue generating provisions, and has no direct fiscal impact on the General Fund, the Bureau recognizes that this proposed legislation may have an impact on the revenues and expenditures of GPA, which is an autonomous agency pursuant to Chapter 8 of Title 12 of the Guam Code Annotated. GPA may face fines or penalties if unable to comply with the aforementioned Consent Decree. Further, construction of the diesel units in a different location, if alternative locations exist, may cost significantly more if not done through minor source permit. Absent these pertinent information from GPA, to include any other fiscal impact to GPA as a result of this proposed legislation, the Bureau cannot determine an approximate fiscal impact at this time.



**Clynton E. Ridgell**

Senator – 36<sup>th</sup> Guam Legislature

*Committee on Economic Development, Agriculture, Power and Energy Utilities,  
and the Arts*

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**COMMITTEE VOTE SHEET**

**Bill No. 213-36 (COR) - Joe S. San Agustin - "An Act to Add a New §§8119(A) to Chapter 8, Title 12, Guam Code Annotated, Establishing an Exemption for the Construction of New Forty-One Megawatt Cabras Ultra Low Sulfur Diesel Units on Lot 261 and 257, U.S. Navy Apra Harbor Reservation"**

	SIGNATURE/ DATE OF SIGNATURE	TO DO PASS	TO NOT PASS	TO REPORT OUT ONLY	TO ABSTAIN	TO PLACE IN INACTIVE FILE
<b>Senator Clynton E. Ridgell</b> Chairperson	 03/29/2022			✓		
<b>Vice Speaker Tina Rose Muña Barnes</b> Vice Chairperson	e-vote 03/29/2022			✓		
<b>Senator Sabina E. Flores Perez</b> Member						
<b>Senator Joe S. San Agustin</b> Member	e-vote 03/29/2022	✓				
<b>Senator Jose "Pedro" Terlaje</b> Member						
<b>Senator V. Anthony Ada</b> Member	e-vote 03/29/2022	✓				
<b>Senator Mary C. Torres</b> Member	e-vote 03/29/2022			✓		



Clynt Ridgell <clyntridgell@guamlegislature.org>

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## URGENT Request for e-Vote: Bill No. 213-36 (COR)

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Joe S. San Agustin <senatorjoessanagustin@gmail.com>

Tue, Mar 29, 2022 at 2:30 PM

To: Clynt Ridgell <clyntridgell@guamlegislature.org>

Cc: Vice Speaker Tina Rose Muña Barnes <senatormunabarnes@guamlegislature.org>, Senator Sabina Flores Perez <office@senatorperez.org>, Senator Jose Terlaje <senatorpedo@senatorjpterlaje.com>, "Senator Mary C. Torres" <senatormary@guamlegislature.org>, "Senator V. Anthony Ada" <senatorvanthonyada@gmail.com>, "Erin M. Grajek" <egrajek@guamlegislature.org>, "Michael D. Carlson" <mcarlson@guamlegislature.org>, Tristan Quintanilla <txvq.sencer@gmail.com>, Keith Taliugyan <taliugyankeith@gmail.com>

To Do Pass

### The Office of Senator Joe S. San Agustin

Committee on General Government Operations, Appropriations & Housing

*I Mina'trentai Sais na Liheslaturan Guåhan*

36th Guam Legislature

Guam Congress Building, 163 Chalan Santo Papa, Hagåtña, Guam 96910

T: (671) 989-5445 F: (671) 969-6737 E: [senatorjoessanagustin@gmail.com](mailto:senatorjoessanagustin@gmail.com)

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Clynt Ridgell <clyntridgell@guamlegislature.org>

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## URGENT Request for e-Vote: Bill No. 213-36 (COR)

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**Senator Mary C. Torres** <senatormary@guamlegislature.org>

Tue, Mar 29, 2022 at 2:36 PM

To: Vice Speaker Tina Rose Muña Barnes <senatormunabarnes@guamlegislature.org>

Cc: Clynt Ridgell <clyntridgell@guamlegislature.org>, Senator Sabina Flores Perez <office@senatorperez.org>, "Senator Joe S. San Agustin" <senatorjoessanagustin@gmail.com>, Senator Jose Terlaje <senatorpedo@senatorjpterlaje.com>, "Senator V. Anthony Ada" <senatorvanthonyada@gmail.com>, "Erin M. Grajek" <egrajek@guamlegislature.org>, "Michael D. Carlson" <mcarlson@guamlegislature.org>, Tristan Quintanilla <txvq.sencer@gmail.com>, Keith Taliugyan <taliugyankeith@gmail.com>

To report out only.

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### Office of Senator Mary Camacho Torres

Suite 807, DNA Building

238 Archbishop Flores St.

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Clynt Ridgell <clyntridgell@guamlegislature.org>

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## URGENT Request for e-Vote: Bill No. 213-36 (COR)

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**Vice Speaker Tina Rose Muña Barnes** <senatormunabarnes@guamlegislature.org>

Tue, Mar 29, 2022 at 2:31 PM

To: Clynt Ridgell <clyntridgell@guamlegislature.org>

Cc: Senator Sabina Flores Perez <office@senatorperez.org>, "Senator Joe S. San Agustin" <senatorjoessanagustin@gmail.com>, Senator Jose Terlaje <senatorpedo@senatorjpterlaje.com>, "Senator Mary C. Torres" <senatormary@guamlegislature.org>, "Senator V. Anthony Ada" <senatorvanthonyada@gmail.com>, "Erin M. Grajek" <egrajek@guamlegislature.org>, "Michael D. Carlson" <mcarlson@guamlegislature.org>, Tristan Quintanilla <txvq.sencer@gmail.com>, Keith Taliugyan <taliugyankeith@gmail.com>

To report out only.

[Quoted text hidden]



Clynt Ridgell <clyntridgell@guamlegislature.org>

## URGENT Request for e-Vote: Bill No. 213-36 (COR)

**Senator V. Anthony Ada** <senatorvanthonyada@gmail.com>

Tue, Mar 29, 2022 at 2:38 PM

To: Clynt Ridgell <clyntridgell@guamlegislature.org>

Cc: Vice Speaker Tina Rose Muña Barnes <senatormunabarnes@guamlegislature.org>, Senator Sabina Flores Perez <office@senatorperez.org>, "Senator Joe S. San Agustin" <senatorjoessanagustin@gmail.com>, Senator Jose Terlaje <senatorpedo@senatorjpterlaje.com>, "Senator Mary C. Torres" <senatormary@guamlegislature.org>, "Erin M. Grajek" <egrajek@guamlegislature.org>, "Michael D. Carlson" <mcarlson@guamlegislature.org>, Tristan Quintanilla <txvq.sencer@gmail.com>, Keith Taliugyan <taliugyankeith@gmail.com>

To Do Pass

On Tue, Mar 29, 2022 at 2:22 PM Clynt Ridgell <clyntridgell@guamlegislature.org> wrote:

[Quoted text hidden]

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### Office of Senator V. Anthony Ada

36th Guam Legislature

*I Mina'trentai Sais Na Liheslaturan* *Guåhan*

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Gumai pribilehu yan konfedensia este siha na mensáhi. Solo espesiátmente para hágu ma entensioña pat ma aturisa para unrisibi. Sen prubidu kumu ti un ma aturisa para manribisa, na'setbe, pat mandespátcha. Yanggen lachi rinisibu-mu nu este na mensáhi, put fabot ago' guatu gi I numa'huyong gi as [senatorvanthonyada@gmail.com](mailto:senatorvanthonyada@gmail.com) yan despues destrosa todú siha I kopian mensáhi. Si Yu'os ma'áse'.