

I Mina'trentai Singko 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
219-35 (COR)	Joe S. San Agustin Tina Rose Muña Barnes William M. Castro Clynton E. Ridgell	AN ACT TO <i>AMEND</i> § 7116 OF CHAPTER 7, DIVISION 2, TITLE 17, GUAM CODE ANNOTATED; AND TO <i>AMEND</i> § 5008.2 OF SUBARTICLE A, ARTICLE 1, CHAPTER 5, TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO STRENGTHENING THE PURCHASE OR LEASE-BACK OF RENEWABLE ENERGY PURCHASE OF SERVICE FOR THE DEPARTMENT OF EDUCATION, THE GUAM ACADEMY CHARTER SCHOOLS, THE GUAM COMMUNITY COLLEGE, AND THE UNIVERSITY OF GUAM.	10/15/19 3:46 p.m.	1/24/20	Committee on General Government Operations, Appropriations, and Housing	10/23/20 3:30 p.m.	11/16/20 2:01 p.m. As amended by the Committee on General Government Operations, Appropriations, and Housing	Request: 1/24/20 2/13/20	11/19/20 2:33 p.m. Supplemental Document to the Committee Report on Bill No. 219- 35 (COR), As amended by the Committee on General Government Operations, Appropriations, and Housing 11/24/20 11:05 a.m. Additional Supplemental Document to the Committee Report on Bill No. 219-35 (COR), As amended by the Committee

Senator Régine Biscoe Lee,
Chair

Senator Amanda L. Shelton,
Vice Chair

Speaker Tina Rose Muña Barnes,
Member

Vice Speaker Telen Cruz Nelson,
Member

Senator Kelly Marsh (Taitano), PhD,
Member

Senator Sabina Flores Perez,
Member



COMMITTEE ON RULES
I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
35TH GUAM LEGISLATURE

November 24, 2020

Senator Clynton E. Ridgell,
Member

Senator Joe S. San Agustin,
Member

Senator Jose "Pedro" Terlaje,
Member

Senator Therese M. Terlaje,
Member

Senator James C. Moylan,
Member

Senator Mary Camacho Torres,
Member and Chair, Subcommittee on Protocol

MEMO

To: Rennae Meno
Clerk of the Legislature

From: Senator Régine Biscoe Lee
Chair, Committee on Rules

Re: Additional Documents Supplement to the Committee Report on Bill No. 219-35 (COR)
As amended by the Committee

Buenas yan Håfa adai.

Please include this memo and attached document as a "Additional Supplement to the Committee Report" for the Committee Report on **Bill No. 219-35 (COR) As amended by the Committee on General Government Operations, Appropriations, and Housing.**

Please make the appropriate indication in your records and forward to MIS for posting on our website. I also request that the same be forwarded to all Senators.

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

Si Yu'os Ma'åse',

Senator Régine Biscoe Lee
Chair, Committee on Rules





SENATOR JOE S. SAN AGUSTIN

I MINA'TRENTAI SINGKO NA LIHESLATURAN GUÅHAN
CHAIRMAN, COMMITTEE ON APPROPRIATIONS, GENERAL GOVERNMENT OPERATIONS & HOUSING

November 24, 2020

The Honorable Régine Biscoe Lee

Chairperson, Committee on Rules

I Mina'trentai Singko Na Liheslaturan Guåhan

163 Chalan Santo Papa

Hagåtña, Guam 96910

SUBJECT: Supplemental Information for Committee Report on Bill 219-35 (COR)

Buenas yan Håfa Adai!

Please find appended to this letter additional testimonies which the Committee on General Government Operations, Appropriations, and Housing received after Committee Report was submitted. I respectfully request that the document be included as a supplemental to the Committee Report on Bill 219-35 (COR) As Amended by the Committee.

Thank you for your attention to this important matter and I look forward to your response and information.

Respectfully yours,

Joe S. San Agustin

Senator

COMMITTEE ON RULES

RECEIVED:

November 24, 2020

10:08 A.M.



Joe S. San Agustin <senatorjoessanagustin@gmail.com>

Bill 219

Bill Hagen [REDACTED]

22 October 2020 at 17:14

To: "senatorjoessanagustin@gmail.com" <senatorjoessanagustin@gmail.com>

Cc: "francine@senatorperez.org" <francine@senatorperez.org>

Senator San Agustin: Please find attached our written testimony on your bill 219.

Thank you


William Hagen

Sent from Mail for Windows 10



Scan_0031.pdf
516K

William H. Hagen


P.O. Box 6754 Tamuning, Guam 96931

To: Committee on General Government Operations, Appropriations, and Housing

Attn: Senator Joe S. San Agustin, Chairperson

Senator Amanda Shelton, Vice Chairperson

Senator Clynton E. Ridgell Vice Chairperson

Re: Bill No. 219-35

Mr. Chairman and Members of the Committee:

We have long been proponents of renewable energy on Guam. 11 years ago we installed Guam's first **Net Metering Project** and 8 years ago we installed Guam's first **Power Purchase Agreement** system on St. Francis School in Yona. Both systems have operated without incident since they were commissioned.

Our company has also installed numerous photovoltaic installations for the U.S. Navy, Air Force, National Guard, Guam Community College, commercial and homeowner customers. Since 2013 there have been various attempts to involve Guam DOE and other Government of Guam facilities in going solar. Somehow these attempts were not successful. We hope Bill 219-35 creates the right conditions for expanded participation in renewable energy for Guam.

Over the years we have successfully built **Power Purchase Agreements (PPA)** for ourselves and for third party owners. These agreements are developed as win-win agreements between the PPA owner and the power purchaser. We have learned that it is necessary, for the protection of the power purchaser (customer) to **guarantee** that power rates charged the customer are always less than Utility rates. Some PPA owners may object however, the owner gets the tax credit and usually accelerated depreciation while the customer just wants less expensive renewable energy.

Guam's, and the world's, future depends on our elimination of fossil fuels in the very near future. Our planet depends on it and soon electric cars will make combustion engine driven vehicles obsolete and we will be charging our cars from our roof top photovoltaic installations. (My granddaughter took my electric LEAF for school)

Respectfully submitted

A handwritten signature in blue ink, appearing to read 'W. Hagen', with a stylized flourish at the end.

William Hagen PACIFIC SOLAR & PHOTOVOLTAICS, INC.

October 23, 2020



Fueling Excellence

November 23, 2020

Senator Joe S. San Agustin
Chair, Committee on General Governmental Operations,
Appropriations and Housing
35th Guam Legislature

Re: Bill 219-35 (COR)

Dear Senator San Agustin,

Hafa Adai and I hope you are well and safe during this difficult time. I am writing to voice concerns with Bill 219-35 (COR) as amended, which was reported out of committee last week. First off, I would like to state that IP&E is fully supportive of efforts to increase the island's use of renewable energy. In fact, I would like to see more aggressive efforts to restructure our island's policies, and reduce current capacity limits on the size of solar systems that are allowed be installed. I believe we can achieve a reduction in energy costs through the increased usage of renewables such as solar, however, I am not sure the Bill as written is the appropriate method to achieve that.

Bill 219-35 (COR) as amended appears to seek the lowest cost of solar for Guam's education Institutions, however, as written it appears to provide a preference for local companies that have a *"valid business license, and have a local track record of at least five (5) years of doing business as a solar energy provider on Guam, and be in good standing with the Department of Revenue and Taxation prior to the award of the contract"*. This language restricts the number of potential participants, thus limiting offers and potentially increasing costs to the Government. If the idea was to get the lowest cost for the Government, then all companies who meet the requirements, having financial and operational capacity to deliver the systems, meeting proper insurance, maintenance and operational standards, should be allowed to participate and deliver the best cost alternatives. The industry has evolved greatly in the last 24 months, with materials and components becoming commoditized, there is potential savings in having more participation. Having a 5 year track record alone may not qualify a company as being the most capable or reliable, and other factors ought to be considered.

Additionally, Bill 219-35 (COR) specifies the PPA and lease back arrangements that Institutions may enter into, but it does not address Gross Receipts Tax applicability for these instruments. Another consideration to prevent leakage of revenues from such arrangements, PPA's should be held on Guam,

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Fueling Excellence

financed by local companies resident to Guam. This ensures the economic benefit of 20 to 40 year arrangements will remain in our local economy. Otherwise, the potential for 5% leakage to off-island finance companies is high. Perhaps PPA's or lease back arrangements should be specified in the solicitation process, as is the normal practice of procurement for services. This allows Institutions to specify the PPA details according to their needs, as opposed to a blanket one size fits all approach included in the bill.

As stated above, I am in support of the efforts to increase renewable energy on island, and believe we should seek more sustainable opportunities for our energy sector. Perhaps we should look to the trends across the globe which leans towards lifting of restrictive capacity constraints on the sizes of solar systems. This would support the mandate to achieve 100% of our energy from renewable sources by 2045.

Thank you for your consideration.

Sincerely,

Brian Bamba
Managing Director
IP&E Holdings

Cc: Senator Tina Muna Barnes, Speaker, 35th Guam Legislature
Senators, 35th Guam Legislature

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Joe S. San Agustin <senatorjoessanagustin@gmail.com>

SUPPORT FOR BILL 219-35

1 message

Kyona Rivera [REDACTED]
To: senatorjoessanagustin@gmail.com

10 November 2020 at 12:54

Håfa Adai Senator Joe San Agustin,

I am Kyona Rivera, and I am a student at the University of Guam. I am emailing you today to show support of Bill 219-35 to allow for renewable energy to all public school facilities.

As the Guam Youth Climate Strike wrote to you on October 30, 2020, "Know that our climate is changing at rates faster than the entire ecosystem can adapt, and we are in the race against money and time to tackle this crisis. The science is clear- we must address this crisis together, before it is too late."

I support Bill 219-35 and I look forward to the passage for the generations of today and tomorrow.

Thank you and stay safe.

Respectfully,
Kyona Rivera