

*I Mina'Trentai Kuåtto Na Liheslaturan*  
**BILL STATUS**

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	FISCAL NOTES	NOTES
139-34 (COR) As amended in the Committee of the Whole.	Telena C. Nelson William M. Castro Fernando B. Esteves	AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFUND OUTSTANDING GUAM POWER AUTHORITY REVENUE BONDS.	7/6/17 3:08 p.m.	7/10/17	Committee on Appropriations and Adjudication	7/17/17 6:00 p.m.	11/20/17 4:32 p.m.	Fiscal Note Request 7/11/17  Fiscal Note 7/28/17	
	SESSION DATE	TITLE	DATE PASSED	DATE AND TIME TRANSMITTED	DUE DATE	PUBLIC LAW	DATE SIGNED	NOTES	
	11/27/2017	AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFUND OUTSTANDING GUAM POWER AUTHORITY REVENUE BONDS.	12/05/17	12/05/17	12/16/17	34-69	12/5/2017	Received: 12/5/17 Mess and Comm. Doc. No. 34GL-17-1295.	



**EDDIE BAZA CALVO**  
Governor

**RAY TENORIO**  
Lieutenant Governor


*Office of the Governor Of Guam.*

DEC 05 2017

Honorable Benjamin J.F. Cruz  
Speaker  
*I Mina'trentai Kuáttro Na Liheslaturan Guåhan*  
Guam Congress Building  
163 Chalan Santo Papa  
Hagåtña, Guam 96910

34-17-1295  
Speaker Benjamin J.F. Cruz

DEC 05 2017

Time: 3:50 [ ] AM [ ] PM File No. \_\_\_\_\_  
Received By: 

Dear Mr. Speaker:

Transmitted herewith is Substitute Bill No. 139-34 (COR), "AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFUND OUTSTANDING GUAM POWER AUTHORITY REVENUE BONDS," which was signed on December 5, 2017, as **Public Law 34-69**.

*Senseramento,*



**RAY TENORIO**  
*I Maga'låhen Guåhan, para pa'go*  
Acting Governor of Guam

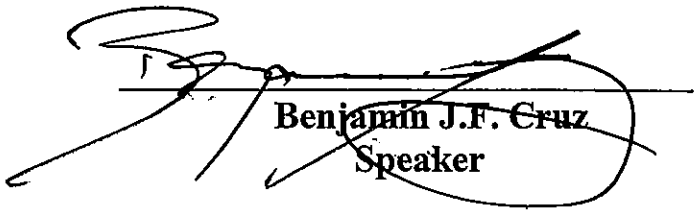
2017 DEC -5 PM 4:11 CS



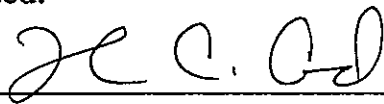
***I MINA'TRENTAI KUÁTTRO NA LIHESLATURAN GUÁHAN***  
**2017 (FIRST) Regular Session**

**CERTIFICATION OF PASSAGE OF AN ACT TO *I MAGA'LÁHEN GUÁHAN***

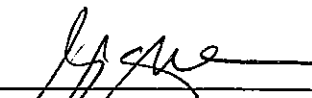
This is to certify that **Bill No. 139-34 (COR)**, "AN ACT TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFUND OUTSTANDING GUAM POWER AUTHORITY REVENUE BONDS," was on the 5<sup>th</sup> day of December 2017, duly and regularly passed.

  
Benjamin J.F. Cruz  
Speaker

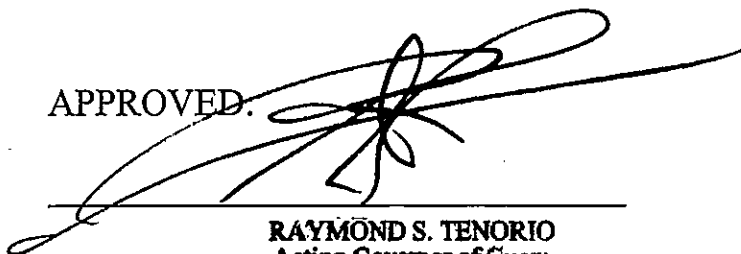
Attested:

  
Thomas c. Ada  
Acting Legislative Secretary

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This Act was received by *I Maga'láhen Guáhan* this 5<sup>th</sup> day of DEC,  
2017, at 12:13 o'clock P.M.

  
Assistant Staff Officer  
*Maga'láhi's* Office

APPROVED.

  
RAYMOND S. TENORIO  
Acting Governor of Guam

Date: December 5, 2017  
Public Law No. 34-69

*I MINA'TRENTAI KUATTRO NA LIHESLATURAN GUÅHAN*  
2017 (FIRST) Regular Session

**Bill No. 139-34 (COR)**

As amended in the Committee  
of the Whole.

Introduced by:

Telena Cruz Nelson  
William M. Castro  
Fernando Barcinas Esteves  
Thomas C. Ada  
FRANK B. AGUON, JR.  
B. J.F. Cruz  
James V. Espaldon  
Régine Biscoe Lee  
Tommy Morrison  
Louise B. Muña  
Dennis G. Rodriguez, Jr.  
Joe S. San Agustin  
Michael F.Q. San Nicolas  
Therese M. Terlaje  
Mary Camacho Torres

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

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

2 **Section 1. Legislative Findings and Intent.** (a) *I Liheslaturan Guåhan*  
3 finds that § 8203 of Article 2, Chapter 8, Title 12, Guam Code Annotated, provides  
4 that the Guam Power Authority (GPA) is authorized to incur indebtedness by the  
5 issuance of revenue bonds with the approval of *I Maga'låhi* (the Governor) to raise

1 funds for the purpose of establishing the electric power system of GPA, or of  
2 acquiring lands for the system, or of acquiring, constructing, improving, equipping,  
3 maintaining, repairing, renewing, replacing, reconstructing, or insuring the system,  
4 or any part thereof, or for the purpose of refunding any such bonds, or for any  
5 combination of such purposes.

6 (b) § 12105 of Article 1, Chapter 12, Title 12, Guam Code Annotated,  
7 provides that the GPA *shall not* enter into any contractual agreements or obligations  
8 (including bonds) that could increase rates and charges prior to the written approval  
9 of the Public Utilities Commission (PUC).

10 (c) § 50103 of Article 1, Chapter 50, Title 12, Guam Code Annotated,  
11 provides that public corporations of the government of Guam, including GPA, *shall*  
12 issue bonds and other obligations only by means of, and through the agency of the  
13 Guam Economic Development Authority (GEDA), and that GEDA *shall not* sell any  
14 bond without the approval of *I Liheslaturan Guåhan* of the terms and conditions of  
15 the bonds.

16 (d) Based on historical low interest rates and current market conditions,  
17 GPA expects to be able to refund certain maturities of its outstanding 2010 Series A  
18 revenue bonds for debt service savings. In addition, GPA expects that opportunities  
19 will arise from time to time to refund all or a portion of its other then outstanding  
20 revenue bonds for debt service savings, which is expected to result in potential  
21 savings to ratepayers.

22 (e) In order to benefit ratepayers, *I Liheslaturan Guåhan* has determined to  
23 approve the issuance of revenue bonds by GPA for the purpose described in  
24 Subsection (d) of this Section, all subject to approval by the Consolidated  
25 Commission on Utilities (CCU), *I Maga'låhen Guåhan*, the GPUC, and the Board  
26 of Directors of GEDA in accordance with law.

1           **Section 2. Approval of the Terms and Conditions of Guam Power**  
2 **Authority Refunding Bonds.**

3           *I Liheslaturan Guåhan*, pursuant to § 50103(k) of Article 1, Chapter 50, Title  
4 12, Guam Code Annotated, hereby approves the terms and conditions of the issuance  
5 of senior revenue bonds in one (1) or more series or issues by GPA for the purpose  
6 of refunding all or a portion of its currently outstanding 2010 Series A revenue  
7 bonds, in accordance with the following requirements, limitations, and terms and  
8 conditions:

9           (a) The aggregate principal amount of the refunding bonds *shall not*  
10 exceed the sum of the amount determined in accordance with § 8229 of Article  
11 2, Chapter 8, Title 12, Guam Code Annotated. Any additional amount needed  
12 to provide for a deposit to the debt service reserve in connection with the  
13 issuance of the refunding bonds *shall* be funded by the debt service reserve  
14 fund of the obligations retired by this refunding consistent with all other bond  
15 indenture requirements.

16           (b) All obligations of GPA to pay debt service on, and the  
17 redemption price of, the prior bonds *shall* be discharged concurrently with the  
18 issuance of the refunding bonds. Thereafter, the prior bonds *shall* be payable  
19 solely from and secured solely by an escrow established for such purpose in  
20 accordance with GPA's existing bond indenture.

21           (c) The final maturity of the refunding bonds *shall not* exceed the  
22 final maturity of the prior bonds. For clarity, the final maturity of the  
23 refunding bonds may exceed the maturity of an individual series of prior  
24 bonds so long as the final maturity of all such prior bonds is *not* exceeded.

25           (d) Such bonds *shall* be issued and sold pursuant to GPA's existing  
26 bond indenture and in compliance with the provisions of Chapter 8, Title 12,

1 Guam Code Annotated, including approval by the CCU and by *I Maga'låhen*  
2 *Guåhan* as provided therein.

3 (e) The sale of the bonds *shall* be approved by the Board of Directors  
4 of GEDA as provided in Chapter 50, Title 12, Guam Code Annotated; and,  
5 the terms and conditions of the issuance of the bonds *shall* be approved by the  
6 PUC as provided in Chapter 12, Title 12, Guam Code Annotated.

7 (f) The present value of debt service on the refunding bonds *shall* be  
8 at least two percent (2%) less than the present value of debt service on the  
9 prior bonds, using the yield on the refunding bonds as the discount rate.

10 (g) Promptly following the approval of the issuance of refunding  
11 bonds by GPA under this Section by a duly adopted resolution of the CCU,  
12 the CCU *shall* provide *I Liheslaturan Guåhan* with a copy of the resolution  
13 providing for such approval.

14 (h) Savings from refunding *shall* be utilized specifically for the  
15 benefit of the ratepayers. GPA *shall* notify *I Liheslatura* within sixty (60) days  
16 of refinancing of its intent and plan regarding the savings achieved from  
17 refinancing.

18 **Section 3. Severability.** If any provision of this Act or its application to any  
19 person or circumstance is found to be invalid, or contrary to law, such invalidity  
20 *shall not* affect other provisions or applications of this Act that can be given effect  
21 without the invalid provision or application, and to this end the provisions of this  
22 Act are severable.