

I Mina'trentai Siette Na Lihelaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
201-37 (COR)	William A. Parkinson	AN ACT TO ADD A NEW § 8113.15 TO CHAPTER 8 OF TITLE 12 OF THE GUAM CODE ANNOTATED, RELATIVE TO PROVIDING MAINTENANCE, OPERATION AND OVERHAUL OF DIESEL GENERATORS.	11/8/23 4:24 p.m.						

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

Bill No. 201-37 (COR)

Introduced by:

William A. Parkinson 

**AN ACT TO *ADD* A NEW § 8113.15 TO CHAPTER 8 OF
TITLE 12 OF THE GUAM CODE ANNOTATED,
RELATIVE TO PROVIDING MAINTENANCE,
OPERATION AND OVERHAUL OF DIESEL
GENERATORS.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan* finds that the Guam Power Authority (“GPA”) is aggressively transitioning to clean and renewable power generation sources. Key components of the clean energy transition are the 198 megawatt (MW) combined cycle Ukudu power plant, utility-scale renewable energy farms, and battery energy storage systems.

I Liheslaturan Guåhan further finds that the COVID-19 pandemic significantly impacted GPA energy projects and services. The permitting and construction of the *Ukudu* power plant was delayed by 19 months due to closures of federal permitting agencies, factories, seaports, and travel restrictions. Such delays required the existing power plants to continue operations beyond their respective forecasted maintenance and capitalization.

I Liheslaturan Guåhan further finds Typhoon Mawar destroyed the nearly complete Ukudu power plant fuel and water tanks, requiring the complete reconstruction of the tanks and delaying the power plant construction by an

1 additional 21 months. Also, the 20MW Yigo combustion turbine was damaged by
2 Typhoon Mawar requiring a \$30M off-island repair to the rotor.

3 *I Liheslaturan Guåhan* further finds that procurement protests and appeals to
4 GPA’s 40MW renewable energy with load-shifting batteries and diesel generator
5 performance management contracts (PMC) further exacerbated the delays of GPA’s
6 clean energy transition. The 2-year 40 MW renewable energy appeal was decided in
7 GPA’s favor, but the contractor refused to proceed due to drastically higher project
8 costs. GPA has no confidence that the diesel generator PMC appeal will be timely
9 resolved.

10 *I Liheslaturan Guåhan* further finds that the foregoing events caused and
11 contributes to the current lack of power generation capacity and the resulting
12 ongoing load shedding. Responsible solutions for temporary power generation and
13 repair of existing diesel generators are needed immediately and until the Ukudu
14 power plant is commissioned in January 2026 to increase power generation capacity
15 and end scheduled island-wide load shedding.

16 It is the intent of *I Liheslaturan Guåhan* to waived the requirements of
17 Subarticle F, Article 1, Chapter 5, Title 5 Guam Code Annotated; Article 3, Chapter
18 5, Title 5 Guam Code Annotated; Article 9, Chapter 5, Title 5 Guam Code
19 Annotated; and Article 12, Chapter 5, Title 5 Guam Code Annotated and GPA is
20 hereby authorized to use such method of source selection as it deems necessary,
21 subject to the approval of GPUC.

22 **Section 2.** Section 8113.15 is hereby *added* to Chapter 8 of Title 12 of the
23 Guam Code Annotated to read as follows:

24 **“8113.15 Maintenance, Operation and Overhaul of Diesel Generators.**

25 In order to provide immediate relief from the critical power shortage currently
26 existing in 2023, the Guam Power Authority (“GPA”) with all deliberate speed, and
27 with the consent of the Guam Public Utilities Commission (“GPUC”), shall proceed

1 with the procurement for a vendor or vendors to maintain, operate and overhaul
2 diesel generators specifically described as 40 MW Yigo Diesels, 24 MW Tenjo
3 Diesels, 6 MW MDI/Pulantat Diesels, and 6 MW *Talo 'fo 'fo'* Diesels. In view of the
4 urgency for the procurement of these services for the repair, maintenance, operation
5 and overhaul of diesel generators, the requirements of Subarticle F, Article 1,
6 Chapter 5, Title 5 Guam Code Annotated; Article 3, Chapter 5, Title 5 Guam Code
7 Annotated; Article 9, Chapter 5, Title 5 Guam Code Annotated; and Article 12,
8 Chapter 5, Title 5 Guam Code Annotated are hereby waived, and GPA is hereby
9 authorized to use such method of source selection as it deems necessary, subject to
10 the approval of GPUC.”

11 **Section 3. Severability.** If any provision of this Law or its application to
12 any person or circumstance is found to be invalid or contrary to law, such invalidity
13 shall not affect other provisions or applications of this Law which can be given effect
14 without the invalid provisions or application, and to this end the provisions of this
15 Law are severable.