




I MINA TRENTAI DOS NA LIHESLATURAN GUÅHAN  
2013 (FIRST) Regular Session

Bill No. 7432 (LS)

Introduced by:

Judith T. Won Pat, Ed.D.   
Aline A. Yamashita, Ph.D.   
Tina R. Muna-Barnes 

---

AN ACT TO AUTHORIZE THE DEPARTMENT OF  
EDUCATION TO ENTER INTO A PUBLIC-PRIVATE  
RENEWABLE ENERGY PURCHASE AGREEMENT  
WITH A QUALIFIED PROVIDER, BY ADDING A  
NEW §7120 TO CHAPTER 7 OF DIVISION 2, TITLE 17,  
GUAM CODE ANNOTATED.

2013 MAR 26 PM 1:55

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative Findings and Intent. *I Liheslaturan Guåhan*  
3 finds that the cost of electricity provided by the Guam Power Authority  
4 (GPA) continues to rise as the price of oil, worldwide, correspondingly  
5 increases. GPA is totally dependent on oil for the production of electricity  
6 for consumers. Such dependence has resulted in rate increases in the form  
7 of increased fuel surcharges.

8 *I Liheslatura* finds that although GPA is currently only able to  
9 produce electricity using oil-powered generators, the agency entered into a  
10 public-private renewable energy purchase agreement with a qualified

1 renewable energy provider. Local media report that the provider is  
2 expected to develop solar/wind turbine technology renewable resource  
3 with a capacity of 15 megawatts or approximately 10 wind turbines and 5  
4 solar panels for a 20 and 25 year contract terms with a guaranteed energy  
5 production and fixed price per contract year. The output of renewable  
6 power onto GPA's power grid will serve nearly 2,200 homes.

7 *I Liheslaturan Guåhan* finds that a private school in Guam recently  
8 entered into a 25-year agreement with a renewable energy provider. The  
9 school expects to pay 23 cents per kilowatt-hour for the first year. GPA  
10 currently charges 29 cents per kilowatt-hour for residential customers, 32  
11 cents per kilowatt-hour for mid-size commercial customers, and 34 cents  
12 per kilowatt-hour for large commercial customers. Approximately 50% of  
13 the school's power needs, or 100 kilowatt-hours, will be generated by new  
14 solar panels that were paid for, and installed by, a renewable energy  
15 provider through a power purchase agreement.

16 *I Liheslatura* further finds that the Superintendent of Education has  
17 publicly stated in recent media interviews that the Department of  
18 Education (DOE) projects an approximately \$5 million shortfall in its FY  
19 2013 budget due to rate increases for electricity. It is, therefore, the intent  
20 of *I Liheslaturan Guåhan* to assist DOE in addressing the rising cost of  
21 electricity. *I Liheslatura* intends for DOE, which is made up of 41 schools, to  
22 enter into a public-private renewable energy purchase agreement with one

1 or more qualified renewable energy providers, by adding a new §7120 to  
2 Chapter 7 of Division 2, Title 17, Guam Code Annotated.

3 **Section 2.** A new §7120 is hereby added to Chapter 7 of Division 2,  
4 Title 17, Guam Code Annotated, to read:

5 **“§7120. Public-Private Renewable Energy Purchase Agreement(s)**  
6 **Authorized.**

7 The Department of Education (Department) is hereby authorized to  
8 solicit, from qualified renewable energy providers, proposals for the  
9 installation and maintenance of renewable energy technology which shall  
10 include, but not be limited to, solar power technology. The Department is  
11 further authorized to enter into a renewable energy purchase agreement(s)  
12 with a qualified renewable energy provider(s), in the event such  
13 provider(s) is able to meet the department’s energy requirements in  
14 accordance with Guam’s laws, rules and regulations, for a term of up to  
15 twenty-five years. The renewable energy provider(s) selected shall be  
16 responsible for all costs required to install and maintain such renewable  
17 energy technology at DOE schools and facilities.”