

I MINA'TRENTAI TRES NA LIHESLATURAN GUÅHAN
2016 (SECOND) Regular Session

Bill No. 359-33 (en)

Introduced by:

FRANK B. AGUON, JR.



**AN ACT TO ADD A NEW ARTICLE 9 TO CHAPTER 32 OF
TITLE 5, GUAM CODE ANNOTATED, RELATIVE TO
THE CREATION OF A "BILL OF RIGHTS" FOR
RENEWABLE ENERGY CONSUMERS.**

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BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. A new Article 9 is *added* to Chapter 32 of Title 5, Guam Code

Annotated to read:

“Article 9

Renewable Energy Consumer Bill of Rights.

§32901. Renewable Energy Consumer Bill of Rights. (a.) *I Liheslaturan*

Guåhan finds that the rising cost of utilities and the introduction of Solar Energy leasing, power purchase agreements and direct purchase arrangements has made the acquisition of Solar Energy and other renewable energy technologies not only very accessible but readily available to all Residential and Commercial consumers of energy. There currently is no protection in place for these residential and commercial entities from unsavory business practices in this Industry that may end up costing consumers more money than they could have otherwise saved if their installation practice and equipment was regulated.

(b) *I Liheslaturan Guåhan* believes that every renewable energy consumer has rights and should be made aware of these rights *prior* to the installation of their system. *I Liheslaturan Guåhan* intends to make it clear that it does not want to

1 interfere with the ability of the Public Utilities Commission to regulate and set
2 rates for the Public Utilities, but *I Liheslaturan Guåhan* also intends to make it
3 abundantly clear that no Renewable Energy Seller *or* Installer *shall* submit a
4 proposal for a Renewable Energy System without first giving the customer more
5 than ample opportunity to exercise their fundamental rights as Renewable Energy
6 consumers. Those fundamental rights as Renewable Energy consumers *shall*
7 include:

8 1.) the right of all of factual information that the consumer will need to
9 make a well informed decision when purchasing, leasing or signing up for a Solar
10 Energy Lease, Power Purchase Agreements (PPA) and Direct Purchase
11 Arrangements provided by the Seller *or* Installer;

12 2.) the right that the Renewable Energy System being offered by the
13 Seller *or* Installer meets all of the standards of that particular type of technology
14 being wind, solar energy *or* solar thermal systems adopted by the Federal and local
15 jurisdictions, and that all materials being used have the Industry standard
16 certification listed as approved products by the Underwriters Laboratory
17 Association;

18 3.) the right that all material used meets *or* exceed Industry standards for
19 that particular technology— an example would be providing the consumer a
20 certification that a solar energy module is warranted for the twenty-five (25) year
21 term. All products in the Renewable Energy Industry do have industry standards
22 for production output, warranties and installation conditions that the seller *or*
23 installer *shall* educate the consumer so they can make an educated decision on
24 what is being purchased and installed;

25 4.) the right to be educated by the Seller *or* Installer on installation
26 process to include the following: installing the equipment, assuring the consumer

1 that the product being installed is per manufacturer's recommendation, and that all
2 materials are approved for exterior and interior installation per the Department of
3 Public Works (DPW) local codes, and the installation is in strict compliance with
4 the Guam Environment Protection Agency (GEPa) regulations;

5 5.) the right to a detailed invoice clearly indicating the price of the
6 technology being offered and clear details of parts, warranties and installation
7 provided by the Seller *or* Installer. *If* this is a Lease *or* a PPA, the seller *or*
8 installer *shall* go through the contract and have the consumer fully understand
9 every aspect of the contract before final signature;

10 6.) the right that all systems installed are guaranteed to provide the
11 maximum yield committed by the Seller *or* Installer on an annual basis. This is
12 called a "production guarantee," and *shall* be stated on the contract. *If* annual
13 production guarantees are not met, then the seller *or* installer *shall* be liable to the
14 consumer for the amount of energy the system did not produce. On every system
15 installed there *shall* be a "True-up Energy Statement" annually, and for any energy
16 shortage on the system the consumer *shall* be reimbursed for the incremental
17 variable expense between the utility rate and the contractual rate per kilowatt hour
18 (kWh) guaranteed;

19 7.) the right to be notified by the Seller *or* Installer that the materials
20 installed are built to the Guam wind loading per DPW;

21 8.) the right to a guaranteed maintenance, trouble shooting and insurance
22 program free of charge to the consumer for the life of the contract for Lease *or*
23 PPA financial structures by the Seller *or* Installer;

24 9.) the right to all consumer protection laws and practices including the
25 seven (7) day rescission period insured by the Seller *or* installer. After this period

1 the consumer *may* be liable for damages and this should be fully explained to the
2 consumer;

3 10.) the right to be immediately provided with all documents by the Seller
4 *or* installer necessary to claim any and all tax credits or other incentives applicable,
5 or notified in writing if the customer is required to give up any tax or other
6 incentives associated with their renewable energy system per any Lease or PPA
7 agreements; and

8 11.) the right that no Lien *shall* be placed upon a residential dwelling *or*
9 commercial building as collateral for a Renewable Energy System, *except* for
10 Fixture filings or Mechanics Liens.”