

I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN  
2011 (FIRST) REGULAR SESSION

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Bill No. 10-31 (LS)

Introduced by:

Judi P. Guthertz, DPA

AN ACT TO ADD SUB ITEMS (A)(1)(2)(3)(4)(5)(6)(7) TO SUB SECTION 12027 OF CHAPTER 12 OF TITLE 12 GUAM CODE ANNOTATED RELATIVE TO THE BACK BILLING OF CONSUMER/RATEPAYERS BY THE GUAM WATERWORKS AUTHORITY.

1 BE IT ENACTED BY THE PEOPLE OF GUAM:

2 Section 1. Legislative findings and intent: I Liheslaturan Guahan Finds that  
3 members of the public, specifically consumers/ratepayers of the Guam Waterworks  
4 Authority (GWA) are deeply distressed as a result of recent actions of GWA with regard to  
5 back billing and estimated billings. Hundreds of ratepayers were back billed with  
6 estimated billings due to a variety of reasons including undercharges due to faulty meters  
7 and transponders, unknown or inaccessible meter locations, etc. Many of these ratepayers  
8 include the elderly, persons on fixed incomes, and persons on public financial assistance,  
9 and others less fortunate. This segment of the community is likely to be most burdened  
10 with the unexpected debt of a back billing or estimated billing charge while wrestling with  
11 rising utility rates.

12 The Legislature finds there to be a real and justified need for a policy for  
13 consumers/ratepayers so that they may continue to be served with the most basic necessity  
14 in life – water - while their account is in dispute.

1           A reasonable and standard policy shall be created by the Consolidated Commission  
2 on Utilities and approved by the Public Utilities Commission with regard to water service  
3 disconnection and reasonable and fair resolution of claims of both the  
4 consumers/ratepayers and GWA.

5           Water is a fundamental resource and helps maintain the health of the population  
6 and personal and public sanitation of the island community. In order to ensure that the  
7 household of the consumer/ratepayer continues to enjoy water services - until such dispute  
8 is settled a policy must be created to address this concern.

9           It is therefore the intent of the legislature to limit the required minimum payment of  
10 a consumer/ratepayer upon notice to GWA of a dispute of back billed or estimated bill  
11 regarding the consumer's/ratepayer's account.

12           The CCU shall implement a standard policy approved by the PUC. The PUC shall  
13 create a review board of members of the PUC, the CCU, a mayor, a representative of GWA,  
14 the Attorney General's office and 2 members of the public appointed by the governor. The  
15 review board shall investigate, hear from the consumer/ratepayer, and review billings in  
16 dispute and effectuate a final judgment.

17           The final judgment shall result in a settlement of claims that reflects an adjustment  
18 of claims or write-off by GWA, a payment plan by the consumer/ratepayer, or a  
19 disconnection of the consumer/ratepayer. The decision to disconnect a ratepayer shall no  
20 longer be arbitrarily decided by GWA based on a consumer's/ratepayer's refusal to satisfy  
21 GWA's back billing or estimated billing charge while the a consumer's/ratepayer's account  
22 is in dispute.

23           **Section 2.** Sub items (A)(1)(2)(3)(4)(5)(6)(7) are hereby added to sub section 12027 of  
24 Chapter 12 of Title 12 Guam Code Annotated relative to the back billing of  
25 consumers/ratepayers accounts by the Guam Waterworks Authority.

1           “A. The Guam Water Works Authority (GWA) shall settle billing disputes of  
2 consumers/ratepayers accounts as follows:

3                   1. Upon reconciliation of the estimated billing that covers the four billing  
4 cycles as contained in this section, the Guam Waterworks Authority shall limit  
5 their initial claim and only require the consumer’s/ratepayer’s account to be  
6 satisfied in the amount equal to and not greater than the average of the  
7 immediate last two (2) billing cycles.

8                   2. The Guam Waterworks Authority shall not disconnect a ratepayer who  
9 has satisfied their account as contained in sub item (1) of this section.

10                  3. The Consolidated Commission on Utilities shall develop rules and  
11 procedures for the disposition and course of action of consumer/ratepayer  
12 accounts that have met the requirements of (A)(1) of this section but continue to  
13 dispute validity of the accuracy of the meter reading and billing by the Guam  
14 Waterworks Authority. The Guam Public Utilities Commission shall approve or  
15 amend such rules.

16                  4. The PUC shall create a review board consisting of members of as  
17 follows:

- 18                   ○ A member from the PUC,
- 19                   ○ a member from the CCU,
- 20                   ○ a representative from GWA, *(non-voting)*
- 21                   ○ a member of the Mayors’ Council of Guam
- 22                   ○ a member from the Office of the Attorney General of Guam’s  
23                    *from the consumer protection section or its equivalent*
- 24                   ○ and a member of the general public appointed by *I Maga’Lahen Guåhan*  
25                    *(serves at the pleasure of the governor)*

1           The logistical needs and support structure of the review board shall be  
2           underwritten by the CCU.

3           5. The review board shall investigate, hear from the consumer/ratepayer,  
4           and review billings being disputed within thirty (30) days and effectuate a final  
5           judgment regarding the disputed account no later than forty-five (45) days after  
6           the account is disputed.

7           6. The final judgment of the review board shall result in a settlement of  
8           claims that reflect a payment plan by the consumer/ratepayer, an adjustment of  
9           claims or write-off by GWA, or a disconnection of the consumer/ratepayer. The  
10          decision to disconnect a ratepayer shall no longer be arbitrarily decided by GWA  
11          based on a consumer's/ratepayer's refusal to satisfy GWA's back billing or  
12          estimated billing charge while the account is in dispute.

13          7. The ruling of the review board shall be final and direction shall be  
14          given to the management of the Guam Waterworks Authority with its final  
15          decision for resolution and disposition."

16          **Section 3.** This provision shall take effect upon enactment into law.