I MINA'TRENTAI UNU NA LIHESLATURAN GUÅHAN 2011 (FIRST) Regular Session

Bill No. 233-31 (Cov)

Introduced by:

M. Silva Taijeron

AN ACT RELATIVE TO THE POWER SERVICE RATE SCHEDULE FOR GUAM POWER AUTHORITY CUSTOMERS.

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. *I Liheslaturan Guåhan* finds that the Guam Power Authority (GPA) has an established power service rate schedule for customers. Residential customers are classified under the Residential Service Rate Schedule 'R' – a rate structure based on the maximum average usage of approximately two hundred kilowatt hours per day (200 Kwhd) or five thousand kilowatt hours (5,000 Kwh) per month. According to GPA, this rate is applicable to single phase residential lighting, heating, cooking, air conditioning and power in a single family dwelling unit.

I Liheslaturan Guåhan further finds that, in accordance with the Public Utilities Commission (PUC) Docket No. 07-10, if the power consumption of a customer under Rate Schedule 'R' exceeds the maximum usage under that classification, the customer is transferred to the General Service Demand Rate Schedule 'J' – a rate structure based on residential service with power consumption in excess of 200 Kwhd. However, the transfer from Schedule 'R' to Schedule 'J' only occurs if the average power consumption of the customer exceeds 200 Kwhd for any

three (3) consecutive months within the customer's last twelve (12) billing months; or any six (6) of the customer's last (12) billing months. When the transfer of a customer from Rate Schedule 'R' to Rate Schedule 'J' occurs because power consumption exceeds maximum usage, it is GPA policy to keep the customer on the new schedule for a minimum of twelve (12) billing months.

I Liheslaturan Guåhan finds that in some instances, it is unreasonable to transfer a residential customer to a costlier rate schedule and, subsequently, keep them on the new schedule for a year. This may cause inconvenience and agitation for the customer, especially if their power consumption does not exceed residential rate usage standards for all months within the billing year. Any disputes that arise from this type of transfer may be better addressed and rectified if GPA conducted more frequent reviews of the power consumption of residential customer accounts that have been transferred to a costlier rate schedule. This will better assist the agency in determining the power usage of said customers over a certain period of time.

Therefore, it is the intent of *I Liheslaturan Guåhan*, to require GPA to conduct a review of residential service customer accounts, which have been transferred to a new rate schedule, every three (3) months. It is also the intent of *I Liheslaturan Guåhan* to prohibit GPA from transferring customers to a costlier rate schedule, for a set period of twelve (12) billing months, if the transfer was a result of exceeding their usual amount of power consumption.

Service Rate Schedule 'R' to Another Rate Schedule. Every three (3) months, GPA shall conduct a review of all customer accounts under Residential Service Rate Schedule 'R' that have been transferred to a costlier rate schedule. No residential service customer that is transferred to a new rate schedule shall remain on the new

- 1 schedule for longer than three (3) billing months, unless it is determined by GPA that
- 2 the customer's power consumption warrants placement on a rate schedule other than
- 3 Rate Schedule 'R'.
- 4 Section 3. Enactment. The provisions of this Act shall become effective
- 5 ninety (90) days upon enactment.
- 6 Section 4. Severability. If any provision of this Law or its application to any
- 7 person or circumstance is found to be invalid or contrary to law, such invalidity shall
- 8 not affect other provisions or applications of this Law which can be given effect
- 9 without the invalid provisions or application, and to this end the provisions of this
- 10 Law are severable.