

Office of the Governor of Guahan

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Felix P. Camacho Governor

Michael W. Cruz, M.D. Lieutenant Governor

> The Honorable Judith T. Won Pat, Ed.D. Speaker *Mina' Trenta Na Liheslaturan Guahan* 155 Hessler Street Hagåtña, Guam 96910

Office of the Speaker Judith T. Won Pat. Ed. D. Date Time Received by OCT 1 1 2010 36-10-0824

Dear Speaker Won Pat:

Transmitted herewith is Substitute Bill 414-30 (COR) "AN ACT TO ADD A NEW §49119 AND A NEW §43104(r) TO CHAPTER 49 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO CREATING THE ULTRA-LOW SULFUR DIESEL FUEL STANDARD FOR DIESEL FUEL IN GUAM," which I signed into law on August 28, 2010 as Public Law 30-184.

While I applaud the intent to adopt the ultra-low sulfur diesel fuel standard for diesel fuel in Guahan, the implementation date precedes the studies mandated in the legislation. These studies are ongoing and pending are the unknown effects and ramifications. Of particular concern is how this law will impact the other islands of the region. The assigned committee has been working diligently to come up with a comprehensive impact assessment that will give the people of Guahan and other impacted islands the assurances that they need that the effects of this transition will not have unintended consequences and will not drastically increase the cost of power or transportation in these affected areas. More importantly, these studies will assist the region in transitioning between standards.

Sinseru yan Magåhet, amack

FELIX P. CAMACHO I Maga'låhen Guahan Governor of Guahan

Attachment: copy of Bill

## I MINA'TRENTA NA LIHESLATURAN GUÅHAN 2010 (SECOND) Regular Session

# **CERTIFICATION OF PASSAGE OF AN ACT TO I MAGA'LAHEN GUÅHAN**

This is to certify that Substitute Bill No. 414-30 (COR), "AN ACT TO ADD A NEW §49119 AND A NEW §49104(r) TO CHAPTER 49 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO CREATING THE ULTRA-LOW SULFUR DIESEL FUEL STANDARD FOR DIESEL FUEL IN GUAM", was on the 16<sup>th</sup> day of August, 2010, duly and regularly passed.

Judith T. Won Pat, Ed. D. Speaker

Tina Rose Muña Barnes Legislative Secretary

This Act was received by I Maga'lahen Guåhan this 17th day of Aug. 2010, at

H:40 o'clock <u>\_</u>.M.

APPROVED FELIX P. CAMACHO

I Maga'lahen Guåhan

AUG 28 2010

Date: Public Law No.

Assistant Staff Officer Maga'lahi's Office

# I MINA'TRENTA NA LIHESLATURAN GUÁHAN 2010 (SECOND) Regular Session

#### Bill No. 414-30 (COR)

As substituted by the Committee on Rules, Natural Resources, and Federal, Foreign & Micronesian Affairs, and amended on the Floor.

Introduced by:

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Telo Taitague R. J. Respicio B. J. F. Cruz

T. C. Ada
Judith P. Guthertz, DPA
V. Anthony Ada
F. B. Aguon, Jr.
F. F. Blas, Jr.
E. J.B. Calvo
J. V. Espaldon
T. R. Muña Barnes
Adolpho B. Palacios, Sr.
v. c. pangelinan
Ray Tenorio
Judith T. Won Pat, Ed.D.

### AN ACT TO *ADD* A *NEW* §49119, AND A *NEW* §49104(r) TO CHAPTER 49 OF TITLE 10, GUAM CODE ANNOTATED, RELATIVE TO CREATING THE *ULTRA-LOW SULFUR DIESEL FUEL STANDARD* FOR DIESEL FUEL IN GUAM.

#### **BE IT ENACTED BY THE PEOPLE OF GUAM:**

Section 1. §49119 of Chapter 49 of Title 10, Guam Code Annotated, is
hereby renumbered as §49120.

4 Section 2. A new §49119 is *added* to Chapter 49 of Title 10, Guam Code
5 Annotated, to read as follows:

**"§49119.** 1 **Ultra-Low** Sulfur Diesel Fuel Standard. Notwithstanding any other provision of law, rule or administrative policy or 2 waiver, effective January 1, 2011, all diesel fuel imported to Guam for the 3 4 purpose of sale and distribution in Guam shall meet the USEPA standards for ultra-low sulfur diesel fuel. For purposes of this Section, ultra -low 5 6 *sulfur diesel fuel shall* be generally defined as fuel that contains fifteen parts per million (15ppm) or less of sulfur content, as established by the USEPA 7 8 Direct Final Rule. The Guam Environmental Protection Agency Board of Directors shall create compliance standards for diesel fuel. Any waivers of 9 10 the fifteen parts per million (15ppm) sulfur content standard of this Section 11 shall require approval by I Liheslaturan Guåhan."

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- Section 3. A new §49104(r) is hereby *added* to Chapter 49 of Title 10,
  Guam Code Annotated, to read:
- establish, as directed by the Board of Directors, a task force for 14 "(r) conducting research on the issue of Guam's transition to the use of ultra-low 15 16 sulfur diesel (ULSD); and to analyze the information that surfaces from said research, with specific consideration of all related factors, including, but not 17 limited to, the transition to ULSD in the mainland U.S.; the exemptions in 18 place for Guam and the regional islands; the overall cost impact for suppliers 19 and consumers, including individuals paying at the pump and affected 20 21 agencies of the government of Guam; infrastructure needs; the impact this transition will have to the Marianas region; supply sources for Guam; local 22 23 and regional demand; a general timeline reflecting Guam's transition to ULSD; and the establishment of any necessary benchmark dates for the 24 transition period. 25
- This task force *shall* be comprised of members of the public and private sector and *shall* meet bi-weekly until such time that a written report

of its findings and recommendations is submitted to *I Liheslatura*, which *shall* be done *no later than* December 1, 2010."

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3 Section 4. Effective Date. The provisions of this Act *shall* be effective 4 upon enactment. The requirements of the Guam Environmental Protection Agency 5 as stipulated in Section 3 of this Act *shall* be met within thirty (30) days of 6 enactment of this Act.

Section 5. All bulk storage tanks used to store diesel fuel intended for sale 7 8 or re-sale shall be sampled and tested in accordance with 40 CFR, Part 80, Subpart 9 I for the purpose of certifying that the fuel meets the required ultra-low sulfur 10 diesel (ULSD) content of 15ppm or less. The ULSD certification shall be posted in 11 a manner consistent with 40 CFR, Part 80, Subpart I, and that can be viewed for inspection by regulatory officials and the general public. Wholesale and retail 12 suppliers of ULSD (15ppm or less) fuel shall comply with the certification 13 requirement upon depletion of diesel fuel containing higher than 15ppm of sulfur. 14