


SIXTEENTH GUAM LEGISLATURE
1982 (SECOND) Regular Session

CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 703, "An Act relative to the generation and sale of electrical power; requiring the creation of an alternate energy plan for the territory of Guam and amending the Government Code relative to the rate-setting authority of the Guam Power Authority," returned to the Legislature without the approval of the Governor, was in accordance with the Organic Act of Guam, reconsidered by the Legislature and after such reconsideration, the Legislature did on the 6th of December 1982, agree to pass said bill notwithstanding the objections of the Governor by a vote of two-thirds of all the members thereof, to wit: by a vote of 19 members.



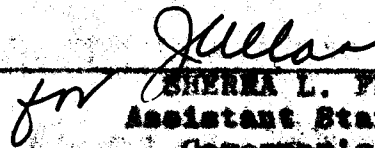
THOMAS V. C. TANAKA
Speaker

ATTESTED:



THOMAS C. CRIBOSTOMO
Senator and Legislative Secretary

This Act was received by the Governor this 14th day of
December, 1982, at 3:00 o'clock P. M.



for SHERRA L. FRANCISCO
Assistant Staff Officer
Governor's Office

APPROVED:

PAUL M. CALVO
Governor of Guam

DATED:

12/14/82

P.L. 16-119

SIXTEENTH GUAM LEGISLATURE
1982 (SECOND) Regular Session

Bill No. 763
(As Substituted by the Committee
on Governmental Operations)

Introduced by: Committee on Governmental Operations

AN ACT RELATIVE TO THE GENERATION AND SALE OF
ELECTRICAL POWER; REQUIRING THE CREATION OF AN
ALTERNATE ENERGY PLAN FOR THE TERRITORY OF GUAM
AND AMENDING THE GOVERNMENT CODE RELATIVE TO THE
RATE-SETTING AUTHORITY OF THE GUAM POWER AUTHORITY.

1 WHEREAS, Guam does not have a comprehensive alternate energy
2 plan to protect itself from any adverse international political
3 action that could terminate its present source of energy; and

4 WHEREAS, the Sixteenth Guam Legislature, in recognizing
5 Guam's need for a comprehensive alternate energy plan, unanimously
6 adopted Resolution 84, requesting the Governor of Guam to coordi-
7 nate and develop a comprehensive alternate energy plan for the
8 territory; and

9 WHEREAS, the Governor of Guam has not yet acknowledged the
10 Legislature's request for the development of a comprehensive
11 alternate energy plan for the territory; and

12 WHEREAS, the present administration has advocated Ocean
13 Thermal Energy Conversion as Guam's alternate energy source
14 without conducting a thorough and comprehensive study on other
15 alternate sources that may prove more energy efficient and cost
16 effective for the people of Guam; and

17 WHEREAS, the recently completed Stone and Webster service
18 rate study, jointly commissioned by the Guam Power Authority and
19 the Navy Public Works Center, recommended that the Guam Power
20 Authority study the possibility of converting the Cabras Power
21 Plant to a coal-fired plant in order to operate said plant more
22 efficiently and cost effective; and

23 WHEREAS, the people of Guam continue to suffer the high cost
24 of electricity without being presented with a comprehensive plan

1 that offers alternatives to the island's energy sources; and

2 WHEREAS, the Sixteenth Guam Legislature temporarily froze the
3 electric service rates of the Guam Power Authority so as not to
4 exceed the rate schedules and rules which were in effect on
5 January 26, 1982; and

6 WHEREAS, the Legislature took this action in response to a
7 letter from Guam Power Authority legal counsel to the Guam Power
8 Authority General Manager expressing the opinion that the rate
9 schedule adopted by the Board on January 27, 1982, and submitted
10 to the Legislative Secretary in the appropriate form on February
11 11, 1982, had gone into effect on March 15, 1982; and

12 WHEREAS, the Legislature held the rate increase in abeyance
13 during the Federal Comptroller's review of the Authority's fuel
14 oil supply contract, and with the concurrence of the Governor; and

15 WHEREAS, the Federal Comptroller has concluded his review,
16 and the Guam Power Authority has reconfirmed its need for rate
17 relief; and

18 WHEREAS, the Stone and Webster report and the General
19 Accounting Office report have recommended that the rate-making
20 authority with respect to power rates be returned to Guam Power
21 Authority; and

22 WHEREAS, the Governor has expressed his opinion that the
23 Guam Power Authority should be subsidized rather than receive a
24 rate increase; now, therefore,

25 BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:

26 Section 1. (a) The Governor shall direct the Guam Power
27 Authority, the Public Utility Agency of Guam, the University of
28 Guam and any other appropriate entity of the Executive Branch to
29 assist in the development of an alternate energy study. The study
30 shall include steps to be taken by affected agencies to implement
31 alternate energy production necessary for the various functions
32 of the government requiring power.

33 (b) The Guam Power Authority shall submit to the Governor

1 and Legislature possible alternate energy production methods which
2 will reduce cost of power to the consumer.

3 (c) The Governor shall prepare an alternate energy plan for
4 the territory of Guam for the purpose of reducing the territory's
5 dependence on fossil fuels, based on the results and findings of
6 the alternate energy study and other alternate energy studies
7 completed with respect to the territory of Guam.

8 (d) No later than August 1, 1983, the Governor shall present
9 to the Legislature his findings and submit legislation to codify
10 and implement a ten (10) year alternate energy plan for the
11 territory.

12 Section 2. Subsection (4) of Section 21503 of the Government
13 Code is repealed and reenacted to read:

14 "(4) Establish and modify from time to time, reasonable
15 rates and charges for electric service at least adequate to
16 cover the full cost of such service, and collect money from
17 customers using such service, all subject to any contractual
18 obligation of the Board to the holders of any bonds; enter
19 into covenants to increase rates or charges from time to
20 time as may be necessary pursuant to any such contractual
21 obligation; and refund charges collected in error in
22 accordance with regulations prescribed by the Board. The
23 Board shall file rate and charge schedules for electric
24 service with the Governor within five (5) days after they
25 are approved by the Board."

26 Section 3. Section 21503.2 of the Government Code is
27 repealed and reenacted to read:

28 "Section 21503.2. Notwithstanding the provisions of
29 Subsection (4) of Section 21503 of the Government Code, the
30 Board shall not institute any rate schedule causing an
31 increase in rates without the approval of the Governor.
32 The Governor shall be deemed to have approved the rate
33 schedule if he fails to disapprove it in writing within

1 forty-five (45) days after it is filed with him by the
2 Board."

3 Section 4. Section 24007 of the Government Code is repealed
4 and reenacted to read:

5 "Section 24007. Rule. The word 'rule' means any rule,
6 regulation, standard, classification, procedure or require-
7 ment of any agency designed to have or having the effect of
8 law, or interpreting, supplementing, or implementing any
9 law enforced or administered by it, including any regulation
10 under which the agency makes charges for services it
11 provides, or to govern its organization or procedure, but
12 does not include regulations, resolutions or directions
13 relating solely to internal policy, internal agency organiza-
14 tion or internal procedure which do not directly effect the
15 rights of or procedures available to the public and does not
16 include 'administrative adjudication'."

17 Section 5. Section 24002 of the Government Code is amended
18 to read:

19 "Section 24002. Agency. The word 'agency' whenever
20 used in this Title, shall mean and include any board,
21 commission, department, division, bureau or officer of the
22 territory of Guam authorized by law to make rules or
23 adjudicate contested cases. Agency does not include any
24 entity in the legislative and judicial branches and for the
25 purposes of establishing charges for utility services, it
26 does not include Guam Power Authority, Guam Telephone
27 Authority or the Public Utility Agency of Guam."

28 Section 6. There is authorized to be appropriated such funds
29 as are necessary for the development of an alternate energy plan.
30 The Governor shall submit within sixty (60) days to the Speaker
31 of the Guam Legislature a request for funding this authorization
32 with the proposed budget for expenditure.