



Territory of Guam
Territorio Guam

OFFICE OF THE GOVERNOR
UFISINAN I MAGA'LAHI
AGANA, GUAM 96910 U.S.A.

RECEIVED
OFFICE OF THE SPEAKER
DATE: DEC 03 1993
TIME: 4:05 PM
RECD BY: R. J. [Signature]

**REFER TO
LEGISLATIVE SECRETARY**

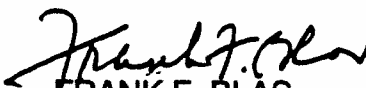
DEC 02 1993

The Honorable Joe T. San Agustin
Speaker, Twenty-Second Guam Legislature
155 Hesler Street
Agana, Guam 96910

Dear Mr. Speaker:

Transmitted herewith is Bill No. 484 which I have signed into law this date as
Public Law 22-53.

Sincerely yours,


FRANK F. BLAS
Governor of Guam,
Acting

220433

Attachment

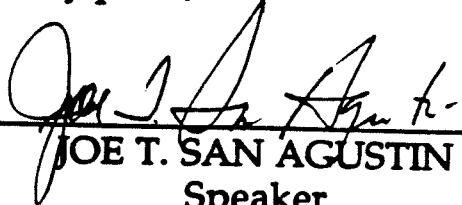


Commonwealth Now!

TWENTY-SECOND GUAM LEGISLATURE
1993 (FIRST) Regular Session

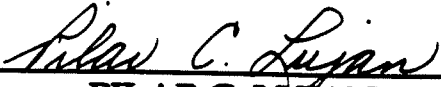
CERTIFICATION OF PASSAGE OF AN ACT TO THE GOVERNOR

This is to certify that Substitute Bill No. 484 (COR), "AN ACT TO ADD NEW §§12027 AND 12028 TO TITLE 12, GUAM CODE ANNOTATED, TO PREVENT ANY UTILITY OPERATING ON GUAM FROM USING ESTIMATED METER READINGS FOR BILL PURPOSES, AND TO PREVENT ANY UTILITY OPERATING ON GUAM FROM COLLECTING "UNDERCHARGES" BASED ON THE UTILITY'S MISTAKE," was on the 19th day of November, 1993, duly and regularly passed.



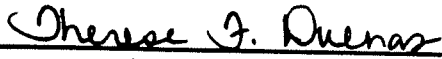
JOE T. SAN AGUSTIN
Speaker

Attested:



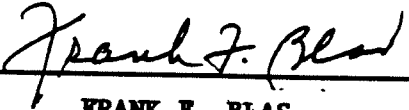
PILAR C. LUJAN
Senator and Legislative Secretary

This Act was received by the Governor this 24~~th~~ day of November, 1993, at
10:08 o'clock A.M.



Assistant Staff Officer
Governor's Office

APPROVED:



FRANK F. BLAS
Governor of Guam
Acting

Date: DEC 02 1993

Public Law No. 22-53

**TWENTY-SECOND GUAM LEGISLATURE
1993 (FIRST) Regular Session**

Bill No. 484 (COR)

**As substituted by the Committee on
Electrical Power and Consumer Protection
and by the Committee on Water Utilities
and Electronic Communications and as
further substituted on the floor.**

Introduced by:

**D. Parkinson
T. C. Ada
M. Z. Bordallo
M. D. A. Manibusan
J. T. San Agustin
D. F. Brooks
A. C. Blaz
D. L. G. Shimizu
J. G. Bamba
F. P. Camacho
H. D. Dierking
T. S. Nelson
V. C. Pangelinan
E. D. Reyes
A. R. Unpingco
P. C. Lujan
J. P. Aguon
E. P. Arriola
C. T. C. Gutierrez
F. E. Santos
T. V. C. Tanaka**

**AN ACT TO ADD NEW §§12027 AND 12028 TO TITLE 12, GUAM
CODE ANNOTATED, TO PREVENT ANY UTILITY
OPERATING ON GUAM FROM USING ESTIMATED METER
READINGS FOR BILL PURPOSES, AND TO PREVENT ANY
UTILITY OPERATING ON GUAM FROM COLLECTING
"UNDERCHARGES" BASED ON THE UTILITY'S MISTAKE.**

1 **BE IT ENACTED BY THE PEOPLE OF THE TERRITORY OF GUAM:**

2 **Section 1. Legislative findings and intent.** The Legislature finds that
3 the Public Utility Agency of Guam ("PUAG") and the Guam Power Authority
4 ("GPA") routinely use estimated readings for billing purposes, and that
5 utilities regularly back bill customers for undercharges as a result of
6 malfunctioning meters. These estimated billings are in most cases higher
7 than if correct readings had actually been taken and computed. There have
8 actually been cases of consumers being disconnected because of estimated
9 billings or back billings based on faulty meters. It is the utilities' responsibility
10 to maintain their meters in working order and to promptly identify and repair
11 or replace malfunctioning meters. The Legislature finds that estimated
12 billings are unfair. It is the intent of the Legislature that neither PUAG nor
13 GPA may require payment in advance for any utility service, based on
14 estimated future consumption, nor may they back-bill for more than sixty (60)
15 days in the case of broken meters.

16 **Section 2.** A new §12026 is added to Chapter 12, Title 12, Guam Code
17 Annotated, to read:

18 "§12026. **Estimated billings.** Except as provided in §12027 of
19 this title neither the Public Utility Agency of Guam nor the Guam
20 Power Authority may bill consumers for consumption based upon
21 estimated usage. All bills shall be rendered only upon actual readings
22 taken within no more than seventy (70) days of the billing, provided,
23 that regular bills are sent at approximately thirty (30) day intervals,
24 and further provided that effective July 1, 1994, all meters shall be
25 read at least every forty (40) days unless the Public Utilities
26 Commission ("PUC") has approved a billing plan to read the meters
27 approximately every two (2) months and estimate every other bill.

1 All estimated bills shall clearly reflect that they are based on
2 estimated readings. After July 1, 1994, all estimated billings
3 permitted pursuant to this section and §12027, Title 12, Guam Code
4 Annotated, shall be allowed only if the PUC has approved a
5 comprehensive billing plan permitting estimated readings as
6 permitted by said sections, and has established a formula for
7 determining the estimated bills and has established a formula to
8 ensure that all under- and over-estimated bills be fully adjusted for
9 actual usage at the next subsequent billing based on actual usage. If
10 a utility fails to read a meter for more than seventy (70) days, it can
11 only charge the customer for actual usage based upon consumption
12 between the dates of a new actual reading of the customer's meter
13 and a subsequent timely reading to determine actual usage, and
14 subsequent timely readings thereafter. In the event of a natural
15 disaster such as a typhoon, earthquake, tidal wave or other natural
16 disaster or unusual circumstances, the Governor may by executive
17 order, extend this seventy-(70) day period for readings of the utility
18 in question, up to a period of one hundred twenty (120) days, in
19 increments of fifteen (15) days at a time, with any subsequent orders
20 signed at least three (3) days after the previous order, which orders
21 may not cumulatively extend the time for billing beyond a total of
22 one hundred twenty (120) days from the date of the last billing. This
23 section shall not apply in any case where the utility proves that there
24 was fraud or tampering with the meter [s] in question on the part of
25 the consumer or by an agent or employee of the consumer, or where
26 there is proof of fraud, collusion or conspiracy by the consumer to
27 pay less than the proper charges to the utility concerned. If the meter

1 in question is inaccessible to the utility's meter readers as a result of
2 the fault of the consumer, and the consumer has been notified in
3 writing of such inaccessibility, then this section shall not apply and
4 the utility can make estimated billings until the meter is accessible."

5 Section 3. A new §12027 is added to Chapter 12, Title 12, Guam Code
6 Annotated, to read:

7 "§12027. Back billing. Neither the Public Utility Agency of
8 Guam ("PUAG") nor the Guam Power Authority ("GPA") may back
9 bill customers for additional consumption of water, sewer, or electric
10 power due to faulty meters or previous billing errors, except as
11 provided in this section. In cases of non-functioning or defective
12 meters, GPA and PUAG are prohibited from back billing customers
13 for additional consumption of water and power based upon
14 estimated usage except for back billing not exceeding the four billing
15 cycles of approximately thirty (30) days each immediately preceding
16 the discovery by such utility of the error, and not to exceed four (4)
17 months, for the reasonably estimated usage for such cycles, using
18 reasonable estimates based upon subsequent actual average daily
19 consumption by the consumer over a two (2) month period, or other
20 formula, with any such other formula to approved by the Public
21 Utilities Commission. In cases of other billing errors or omissions
22 GPA and PUAG are prohibited from back billing customers for
23 additional consumption of water, sewer and power except for back
24 billing not exceeding the four billing cycles of approximately thirty
25 (30) days each immediately preceding the discovery by such utility of
26 the error, and not to exceed four (4) months. The time limitations of
27 this section shall not apply in any case where a meter is shown by the

1 utility to have been damaged or to be unavailable to be read as a
2 result of actions or negligence of the consumer, where there is active
3 fraud or tampering with the meters in question on the part of the
4 consumer or by an agent or employee of the consumer, or where
5 there is proof of fraud, collusion or conspiracy by the consumer to
6 pay less than the proper charges for water, sewer or power."