



RESOLUTION NO. 2018-17

AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY (GPA) TO FILE NET METERING PROGRAM RECOMMENDATIONS ADDRESSING THE GUAM PUBLIC UTILITIES COMMISSION (PUC) ORDER DOCKET NO. 08-10 (DECEMBER 29, 2008), EXHIBIT A, PARAGRAPH 3

WHEREAS, Guam Public Law 27-132 (2004) created Net Metering for Guam and assigned the Guam Public Utilities Commission (PUC) the responsibility for setting the Net Metering Rate for excess renewable energy fed into GPA's Distribution System; and

WHEREAS, the Guam Public Utilities Commission (PUC) ordered GPA to execute the Interim Net Metering (NM) Rider under Docket No. 08-10 (December 29, 2008); and

WHEREAS, the Consolidated Commission on Utilities supported the net metering program through the years in full support of promoting renewable energy to offset fossil fuel energy production; and

WHEREAS, the Consolidated Commission on Utilities has been monitoring the growth of the Net Metering Program including the financial impact the program will have on non-net metering customers; and

WHEREAS, under Docket 08-10, Exhibit A (paragraph 1), the PUC states: "The NM Rider may be amended or modified in the future by GPA, with the approval of the Guam Public Utilities Commission (PUC)"; and

WHEREAS, under Docket 08-10, Exhibit A (paragraph 3), the PUC orders: "The NM Rider is available to all customers without limitation as to the aggregate capacity of Customer-Generator installations on the GPA System. However, at the time the number of Customer-Generators exceeds one-thousand (1000) customers this issue will be reviewed by the PUC and a determination made as to the continued offering of the NM Rider for new 'net metering' customers."; and

WHEREAS, GPA achieved the milestone of 1000 net metering (NEM) customers in June 2016; and

WHEREAS, NEM customers receive services from the grid subsidized by non-NEM customers including but not limited to: 1) Use of the grid to sell power (get credit at full retail rate for excess production); 2) Use of the grid to energize their homes at night; 3) Frequency regulation absorbed by grid for intermittencies; 4)

34 Reactive power supply; 5) Voltage regulation; and 6) Stand-by power on overcast days when the sun does not
35 shine.

36 **WHEREAS**, GPA has 1,764 net metering customers (August 31, 2018) resulting in an approximate
37 \$3,456,653.00 annual subsidy going forward and from 2009 to 2017 a total subsidy of approximately
38 \$6,562,968.64 paid for by non-net metering customers; and

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40 **WHEREAS**, as ordered by the Consolidated Commission on Utilities (CCU), GPA has conducted and
41 completed several public meetings to: 1) Address net metering stakeholders' concerns and obtain feedback; 2)
42 Evaluate stakeholder feedback; 3) Perform analysis regarding net metering impacts on the GPA especially on
43 non-net metering customers; and, 4) Propose recommendations on whether or not changing the current net
44 metering program is in the best interests of customers while insofar as possible alleviating net metering
45 customer concerns; and

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47 **WHEREAS**, the GPA General Manager presented the Authority's Net Metering (NEM) Credit
48 Recommendation (**Exhibit A**) at the August 28, 2018 CCU Meeting held publicly; and

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50 **WHEREAS**, GPA recommends the following Value of Solar (VOS) Policies as a replacement for the
51 existing Net Metering Program including: 1) Grandfathering existing registered NEM customers for a period of
52 5 years allowing customers who own NEM systems to recover their investment while phasing in VOS rates over
53 this extended 5-year time period; and filing for PUC approval a process to establish Value of Solar (VOS) rates;

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55 **WHEREAS**, the process to establish Value of Solar (VOS) rates would: 1) Reassess VOS rates each LEAC
56 for Avoided Energy Value; 2) Reassess VOS rates for other VOS components as applies on a) an annual basis; b)
57 periodic basis over a set number of years; and 3) whenever there are material changes to GPA's generation
58 mix; and

59 **NOW, THEREFORE, BE IT RESOLVED**, by the CONSOLIDATED COMMISSION ON UTILITIES subject to the
60 review and approval of the Public Utilities Commission as follows:

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- 62 1. The General Manager is authorized to file a petition of its Value of Solar Policy
63 Recommendations as shown in **Exhibit A**, including additional presentation and information to
64 the Guam Public Utilities Commission. The petition is to decrease net metering subsidy evenly
65 over a 5-year period beginning Calendar Year 2019.
 - 66 2. The General Manager is authorized to conduct an information campaign supporting these
67 recommendations.

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RESOLVED, that the Chairman of the Commission certifies and the Secretary of the Commission attests the adoption of this Resolution.

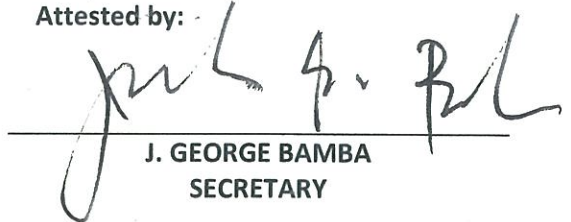
DULY and REGULARY ADOPTED this 25th day of September, 2018.

Certified by:



JOSEPH T. DUENAS
CHAIRMAN

Attested by:



J. GEORGE BAMBA
SECRETARY

SECRETARY'S CERTIFICATE

I, **J. GEORGE BAMBA**, Secretary for the Consolidated Commission on Utilities do hereby certify that the foregoing is a full, true, and correct copy of the resolution duly adopted at a regular meeting of the members of Guam's Consolidated Commission on Utilities, duly and legally held at a place properly noticed and advertised at which meeting a quorum was present and the members who were present voted as follows:

Ayes: 5
Nays: 0
Absent: 0
Abstain: 0

