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5 **BEFORE THE GUAM PUBLIC UTILITIES COMMISSION**

6 IN THE MATTER OF:) **GPA DOCKET NO. 20-06**
7 GPA Net Metering Rider) **PETITION FOR CONTRACT REVIEW**
8)
9)

10 **COMES NOW**, the GUAM POWER AUTHORITY (GPA), by and through its counsel of
11 record, D. GRAHAM BOTHA, ESQ., and hereby files GPA's Petition for the Public Utilities
12 Commission of Guam to review and approve the proposed change to the GPA Net Metering
13 Rider, as follows:

14 **BACKGROUND**

15 The PUC directed the Guam Power Authority to execute a Net Metering Rider in
16 December 2008. The Net Metering Rider was amended by the PUC on December 10, 2015 to
17 allow the customer an option to elect to have GPA carry annual credits forward, or the customer
18 could request payment for credits remaining on their account. Previously, any credits remaining
19 were zeroed out annually. GPA has approximately 2040 net metering customers resulting in an
20 approximate \$3.5M annual subsidy going forward. In CY2018 GPA refunded \$86,283 and
21 carried forward \$241,217 in customer credits. The CCU in Resolution 2019-20 has authorized
22 GPA to petition the PUC to revise the Net Metering Rider such that all NEM excess credits are
23 zeroed out annually.

24 **DISCUSSION**

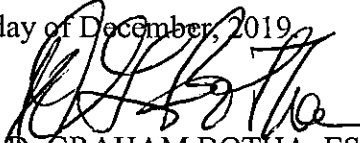
25 GPA hereby petitions the PUC, pursuant to the Contract Review Protocol for the Guam
26 Power Authority, approved by the PUC, to review and approve the proposed change to the GPA
27 Net Metering Rider, such that all NEM excess credits are zeroed out annually. In support of this
28 Petition, GPA hereby provides the PUC with Consolidated Commission on Utilities (CCU)
Resolution No. 2019-20 which has authorized GPA to petition the PUC to seek approval for
proposed change to the GPA Net Metering Rider such that all NEM excess credits are zeroed out
annually. Said resolution and its exhibits are attached herein as Exhibit A, and incorporated by
reference herein as if fully set forth.

ORIGINAL

1 **CONCLUSION**

2 The PUC should approve GPA's request for approval of the proposed change to the Net
3 Metering Rider. The zeroing out of NEM excess credits annually is reasonable, prudent, and
4 necessary.

5 **RESPECTFULLY SUBMITTED** this 5th day of December, 2019

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7 D. GRAHAM BOTHA, ESQ.
8 GPA Legal Counsel
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CONSOLIDATED COMMISSION ON UTILITIES
Guam Power Authority | Guam Waterworks Authority
P.O. Box 2977 Hagatna, Guam 96932 | (671)649-3002 | guamccu.org

RESOLUTION NO. 2019-20

**AUTHORIZING MANAGEMENT OF THE GUAM POWER AUTHORITY (GPA) TO FILE A REVISION
TO INTERIM NET METERING RIDER ADDRESSING THE GUAM PUBLIC UTILITIES
COMMISSION (PUC) ORDER DOCKET NO. 08-10**

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

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

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

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

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

20 **WHEREAS**, NEM customers receive services from the grid subsidized by non-NEM customers including
21 but not limited to: 1) Use of the grid to sell power (get credit at full retail rate for excess production); 2) Use of
22 the grid to energize their homes at night; 3) Frequency regulation absorbed by grid for intermittencies; 4)
23 Reactive power supply; 5) Voltage regulation; and 6) Stand-by power on overcast days when the sun does not
24 shine.

25 **WHEREAS**, GPA has 2,040 net metering customers (October 31, 2019) resulting in an approximate
26 \$3,527,745 annual subsidy going forward; and

27 **WHEREAS**, expiration of customer credit was revised in docket 08-10 on December 10, 2015 which gave
28 customer an option to elect to have GPA carry the credits forward, or have GPA purchase from the customer all
29 kWh credits remaining on their account; and

30 **WHEREAS**, GPA refunded \$86,283 and carried forward \$241,217 in calendar year 2018; and

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33 **WHEREAS**, GPA is requesting to revert to the original language contained in the Net Metering Rider,
34 under "MONTHLY BILLING," which states:

35 "In no event shall the excess credit from a single month be carried forward
36 beyond twelve (12) months as a credit against the current monthly billing. At the
37 end of each calendar year, or in the event of termination of service under this
38 Rider, any excess kWh credits; if any will be granted by the customer to the GPA
39 without compensation to the customer"; and

40 **WHEREAS**, the payment or carry over of excess credits tend to encourage net metering
41 customers to install larger capacity which results in receiving payments for excess energy thereby
42 resulting in increased cost to non-NEM customers; and

43 **WHEREAS**, typically in other jurisdictions NEM excess credits are zeroed out annually as
44 was done by GPA prior to the change in December 2015.

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

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- 49 1. The General Manager is authorized to file a petition of its revision to the Interim Net Metering
50 Rider, such that all NEM excess credits are zeroed out annually.
 - 51 2. The revision shall state "In no event shall the excess credit from a single month be carried
52 forward beyond twelve (12) months as a credit against the current monthly billing. At the end
53 of each calendar year, or in the event of termination of service under this Rider, any excess kWh
54 credits; if any will be granted by the customer to the GPA without compensation to the
55 customer".
 - 56 3. The General Manager is authorized to conduct an information campaign supporting these
57 recommendations.

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

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DULY and REGULARY ADOPTED this 26th day of November 2019.

Certified by:

Attested by:



JOSEPH T. DUENAS

Chairperson

Consolidated Commission on Utilities



MICHAEL LIMTIACO

Secretary

Consolidated Commission on Utilities

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

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Ayes:	<u>4</u>
Nays:	<u>0</u>
Absent:	<u>1</u>
Abstain:	<u>0</u>

