

I Mina'trentai Ocho Na Liheslaturan Guåhan
BILL STATUS

BILL NO.	SPONSOR	TITLE	DATE INTRODUCED	DATE REFERRED	CMTE REFERRED	FISCAL NOTES	PUBLIC HEARING DATE	DATE COMMITTEE REPORT FILED	NOTES
345-38 (LS)	Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs	AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.	8/5/26 11:25 a.m.	8/11/26	Committee on Finance and Government Operations.	Request: 8/11/26 8/21/26	8/27/26 9:00 a.m.	9/9/26	



Office of Senator Christopher M. Dueñas
CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

September 9, 2026

The Honorable Frank F. Blas Jr.

Speaker, *I Mina'trentai Ocho na Liheslaturan Guåhan*
163 W. Chalan Santo Papa
Hågatña, Guam 96910

Via Honorable Vice Speaker V. Anthony Ada 
Chairman, Committee on Rules

RE: Committee Report on Bill No. 345-38 (LS) As Introduced

Buenas yan Håfa Ådai Speaker,

Transmitted herewith is the Committee Report on **Bill No. 345-38 (LS) As Introduced** – Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs – **“An Act Relative To Approving The Terms And Conditions Of The Issuance By Guam Power Authority Of Revenue Bonds To Finance Capital Improvements To The Island-Wide Power System Including Certain Energy Storage, Generation, Transmission And Distribution Projects, And To Approve The Terms And Conditions Of Guam Power Authority Revenue Bonds To Refinance Guam Power Authority Revenue Bonds”**.

Committee votes are as follows:

<u>2</u>	TO DO PASS
<u>0</u>	TO NOT PASS
<u>3</u>	TO REPORT OUT ONLY
<u>0</u>	TO ABSTAIN
<u>0</u>	TO PLACE IN INACTIVE FILE

Senseremente,



Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations



COMMITTEE ON RULES

RECEIVED:

September 9, 2026 10:03 a.m.

Marie Crisostomo

Revisions Recieved:

September 9, 2026 11:46 a.m.

OFFICE OF SENATOR CHRISTOPHER M. DUEÑAS

259 MARTYR STREET, HAGATNA GUAM 96910 | TEL: 671-989-9554 | SENATOR.DUEÑAS@GUAMLEGISLATURE.GOV

  LIKE AND FOLLOW @SENATORDUEÑAS



Office of Senator Christopher M. Duenas
CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

COMMITTEE REPORT

BILL NO. 345-38 (LS)

INTRODUCED BY:

Committee on Transportation, Tourism, Customs,
Utilities, and Federal and Foreign Affairs

“AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS”.



Office of Senator Christopher M. Dueñas
CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

September 8, 2026

MEMORANDUM

To: All Members
Committee on Finance and Government Operations

From: Senator Christopher M. Dueñas
Chairperson, Finance and Government Operations

Subject: Committee Report on Bill No. 345-38 (LS) *As Introduced*

Transmitted herewith for your consideration is the Committee Report on **Bill No. 345-38 (LS)** Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs – **“An Act Relative To Approving The Terms And Conditions Of The Issuance By Guam Power Authority Of Revenue Bonds To Finance Capital Improvements To The Island-Wide Power System Including Certain Energy Storage, Generation, Transmission And Distribution Projects, And To Approve The Terms And Conditions Of Guam Power Authority Revenue Bonds To Refinance Guam Power Authority Revenue Bonds”.**

This report includes the following:

- Copy of COR Referral of Bill No. 345-38 (LS)
- Notices of Public Hearing
- Copy of the Public Hearing Agenda
- Public Hearing Sign-in Sheet
- Committee Vote Sheet
- Committee Report Digest
- Copy of Bill No. 345-38 (LS)
- Fiscal Note

Please take the appropriate action on the attached vote sheet. Your attention to this matter is greatly appreciated. Should you have any questions or concerns, please do not hesitate to contact me.

Respectfully,

Senator Christopher M. Dueñas
Chairperson, Committee on Finance and Government Operations



COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson
I Mina'trentai Ocho Na Liheslaturan Guåhan
38th Guam Legislature

August 11, 2026

To: **Rennae V. C. Meno**
Clerk of the Legislature

Attorney Darleen E.H. Phillips
Legislative Legal Counsel

From: **Vice Speaker V. Anthony Ada** 
Chairperson, Committee on Rules

Subject: **Referral of Bill No. 345-38 (LS)**

Håfa Adai,

As per my authority as Chairperson of the Committee on Rules and subject to §6.01(d)(1), Rule VI of our Standing Rules, I am forwarding the referral of **Bill No. 345-38 (LS)** - Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs. – “AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.”

Please ensure that the subject bill is referred to the Committee on Finance and Government Operations chaired by Senator Christopher M. Dueñas. I also request that the same be copied to the Prime Sponsor of the subject bill, to the Office of Finance and Budget (OFB) and to Management Information Services (MIS) for posting on our website.

A copy of the bill is available on our legislative website.

Should you have any questions or concerns, please feel free to contact Kamarin Nelson, Committee on Rules Director at 671-472-2461.





Karl Pangelinan <karl.p@guamlegislature.gov>

First Notice of Public Hearing 8/27/26 - 9AM

7 messages

Karl Pangelinan <karl.p@guamlegislature.gov>
To: phnotice@guamlegislature.gov
Cc: Senator Chris Duenas <senator.duenas@guamlegislature.gov>

Thu, Aug 20, 2026 at 7:53 AM

FOR IMMEDIATE RELEASE

August 20, 2026

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE of Public Hearing on August 27, 2026

The Committee on Finance and Government Operations will hold a public hearing on **Thursday, AUGUST 27, 2026**, beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:

- **Bill No. 342-38 (LS) – Vice Speaker V. Anthony Ada** – AN ACT TO ADD A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED AND A NEW § 26812 TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, AS ENACTED BY PUBLIC LAW 38-115, RELATIVE TO ESTABLISHING THE GMH CAPITAL PRESERVATION FUND AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO PUBLIC LAW 38-115 FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.
- **Bill No. 345-38 (LS) – Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs** – AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

If you would like to participate in the Public Hearing listed above or submit written testimony, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. *If you or anyone you know requires assistance or special accommodations to participate in the public hearing, please contact the Office of Senator Christopher M. Dueñas at the contact information provided above.*

The Public Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through I Liheslaturan Guåhan's YouTube Channel (@guamlegislaturemedia).

 **1N Pubilc Hearing - 082726 9am.pdf**
368K

Ed Pocaigue <sgtarms@guamlegislature.gov>
To: Karl Pangelinan <karl.p@guamlegislature.gov>

Thu, Aug 20, 2026 at 8:15 AM

Hafa adai and posted on the calendar.

[Quoted text hidden]

--



Edward S. Pocaigue, Jr.
Sergeant-at-Arms

I Mina'trentai Ocho Na Liheslaturan Guåhan
Guam Congress Building, 1st Floor
163 Chalan Santo Papa
Hagåtña, Guam 96910



1-671-969-3514



sgtarms@guamlegislature.gov

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Karl Pangelinan <karl.p@guamlegislature.gov>
To: "Marie P. Lizama" <marie.lizama@revtax.guam.gov>, tina.garcia@investguam.com

Fri, Aug 21, 2026 at 8:21 AM

Marie / Tina:

Please see notice for next week's public hearing that the respective authors have indicated sending invites to you two. GMH bill will be heard first followed by the GPA authorization bill next thursday.

Regards,
KP

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 **1N Pubilc Hearing - 082726 9am.pdf**
368K

Karl Pangelinan <karl.p@guamlegislature.gov>
To: jbenavente@gpagwa.com

Fri, Aug 21, 2026 at 8:28 AM

John B:

As discussed, please see notice for PH next Thursday morning. The GMH bill will be heard first at 9am followed by the GPA borrowing bill. Please disseminate this information as you see fit.

Esta,
KP

----- Forwarded message -----

From: **Karl Pangelinan** <karl.p@guamlegislature.gov>

Date: Thu, Aug 20, 2026 at 7:53 AM
Subject: First Notice of Public Hearing 8/27/26 - 9AM
To: <phnotice@guamlegislature.gov>
Cc: Senator Chris Duenas <senator.duenas@guamlegislature.gov>

[Quoted text hidden]

 **1N Pubilc Hearing - 082726 9am.pdf**
368K

Karl Pangelinan <karl.p@guamlegislature.gov> Fri, Aug 21, 2026 at 8:40 AM
To: joleen.aguon@gmha.guam.gov, yukari.hechanova@gmha.guam.gov, jesse.quenga@gmha.guam.gov

All:

Bill #342 author, Vice Speaker Tony Ada has suggested to the Comm on Finance & Govt Operations to invite GMHA mgmt to the Public Hearing attached and below. It'll be next Thursday morning and Bill #342 will be heard first at 9am.

Look forward to seeing you all there.

Regards,
Karl Pangelinan
Office of Sen Chris Duenas - Chairman, Finance & Govt Operations

----- Forwarded message -----
From: **Karl Pangelinan** <karl.p@guamlegislature.gov>
Date: Thu, Aug 20, 2026 at 7:53 AM
Subject: First Notice of Public Hearing 8/27/26 - 9AM
To: <phnotice@guamlegislature.gov>
Cc: Senator Chris Duenas <senator.duenas@guamlegislature.gov>

[Quoted text hidden]

 **1N Pubilc Hearing - 082726 9am.pdf**
368K

Jesse Quenga <jesse.quenga@gmha.guam.gov> Fri, Aug 21, 2026 at 9:19 AM
To: Karl Pangelinan <karl.p@guamlegislature.gov>, Joleen Aguon <joleen.aguon@gmha.guam.gov>, Yukari Hechanova <yukari.hechanova@gmha.guam.gov>
Cc: Theo Pangelinan <theo.pangelinan@gmha.guam.gov>, Leilua Watanabe <leilua.watanabe@gmha.guam.gov>, Wai-Man Chan <candy.chan@gmha.guam.gov>, Lyana Crisostomo <lyana.crisostomo@gmha.guam.gov>

Good morning Mr. Pangelinan,

We appreciate you sharing the notice of public hearing. Hospital representatives will be present at the hearing.

Best,
Jesse J. Quenga, CM LPEC
Associate Hospital Administrator, Operations (acting)
Guam Memorial Hospital Authority
850 Governor Carlos G Camacho Road, Oka
Tamuning, GU 96913-3128
Email: jesse.quenga@gmha.guam.gov
Office: 671.647.2502
Fax: 671.649.0145
Time Zone: ChST (GMT +10:00)

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From: Karl Pangelinan <karl.p@guamlegislature.gov>

Sent: Friday, August 21, 2026 8:40 AM

To: Joleen Aguon <joleen.aguon@gmha.guam.gov>; Yukari Hechanova <yukari.hechanova@gmha.guam.gov>; Jesse Quenga <jesse.quenga@gmha.guam.gov>

Subject: Fwd: First Notice of Public Hearing 8/27/26 - 9AM

[Quoted text hidden]



1N Pubilc Hearing - 082726 9am.pdf
368K

John Benavente <jbenavente@gpagwa.com>

Fri, Aug 21, 2026 at 11:03 AM

To: Karl Pangelinan <karl.p@guamlegislature.gov>

Thank You!!!!

From: Karl Pangelinan <karl.p@guamlegislature.gov>

Sent: Friday, August 21, 2026 8:28:13 AM

To: John Benavente

Subject: Fwd: First Notice of Public Hearing 8/27/26 - 9AM

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Office of Senator Christopher M. Dueñas

CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

FOR IMMEDIATE RELEASE

August 20, 2026

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: FIRST NOTICE of Public Hearing on August 27, 2026

The Committee on Finance and Government Operations will hold a public hearing on **Thursday, AUGUST 27, 2026**, beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:

- [Bill No. 342-38 \(LS\)](#) – **Vice Speaker V. Anthony Ada** – AN ACT TO ADD A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED AND A NEW § 26812 TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, AS ENACTED BY PUBLIC LAW 38-115, RELATIVE TO ESTABLISHING THE GMH CAPITAL PRESERVATION FUND AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO PUBLIC LAW 38-115 FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.
- [Bill No. 345-38 \(LS\)](#) – **Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs** – AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

If you would like to participate in the Public Hearing listed above or submit written testimony, please contact the Office of Senator Christopher M. Dueñas for further assistance via email at senator.duenas@guamlegislature.gov or by phone at (671) 989-9554.



Office of Senator Christopher M. Dueñas

CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

In compliance with Title II of the Americans with Disabilities Act (ADA), all government activities, programs, and services are accessible to individuals with disabilities. *If you or anyone you know requires assistance or special accommodations to participate in the public hearing, please contact the Office of Senator Christopher M. Dueñas at the contact information provided above.*

The Public Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through I Liheslaturan Guåhan's YouTube Channel ([@guamlegislaturemedia](https://www.youtube.com/@guamlegislaturemedia)).

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OFFICE OF SENATOR CHRISTOPHER M. DUEÑAS

259 MARTYR STREET, HAGATNA GUAM 96910 | TEL: 671-989-9554 | SENATOR.DUENAS@GUAMLEGISLATURE.GOV

  LIKE AND FOLLOW @SENATORDUENAS

First Notice of Public Hearing 8/27/26 - 9AM

 PRINT

First Notice of Public Hearing 8/27/26 - 9AM

PUBLIC HEARING

 **Posted on:** 08/20/2026 07:54 AM

 **Posted by:** Karl Pangelinan

 **Public Hearing Date:** 08/27/2026 09:00 AM

 **Department(s):**
GUAM LEGISLATURE (/notices?department_id=92)

 **Division(s):**
OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?
division_id=267)

 **Notice Topic(s):** PUBLIC HEARING (/notices?topic_id=74)

 **Types of Notice:** PUBLIC HEARING (/notices?type_id=7)

 **For Audience(s):** PUBLIC (/notices?public=1)

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FOR IMMEDIATE RELEASE

August 20, 2026

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government
Operations

Re: FIRST NOTICE of Public Hearing on August 27, 2026

The Committee on Finance and Government Operations will hold a public hearing on **Thursday, August 27, 2026**, beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:

Bill No. 342-38 (LS)

([https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20342-](https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20342-38%20(LS)%20Referred%20Version.pdf)

38%20(LS)%20Referred%20Version.pdf) – Vice Speaker V.

Anthony Ada – AN ACT TO ADD A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED AND A NEW § 26812 TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, AS ENACTED BY PUBLIC LAW 38-115, RELATIVE TO ESTABLISHING THE GMH CAPITAL PRESERVATION FUND AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO PUBLIC LAW 38-115 FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.

Bill No. 345-38 (LS)

([https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20345-38%20\(LS\).pdf](https://guamlegislature.gov/38th_Guam_Legislature/Bills_Introduced_38th/Bill%20No.%20345-38%20(LS).pdf)) –

Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs – AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS. AND TO APPROVE THE TERMS AND CONDITIONS

OF GUAM POWER AUTHORITY REVENUE BONDS TO
REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

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**GUAM LEGISLATURE
AUDIO VISUAL DEPARTMENT
PUBLIC ANNOUNCEMENT REQUEST FORM**

Office Submitting Request: Office of Sen. Chris Duenas

Date of Request: 8/18/2026

POINT OF CONTACT

Name: Ashley Shinohara **Contact #:** 671-989-9554

Email: senator.duenas@guamlegislature.gov

PUBLIC HEARING DETAILS

Notice Type: ☒ Public Hearing ☐ Informational Briefing ☐ Roundtable Discussion

☐ Oversight Hearing ☐ Committee Meeting ☐ Other: _____

Notice Title / Bill(s) / Resolution(s) / Appointment:

Notice of Public Hearing on 8/27/26 - BN's 342-38 & 345-38

Date of Event: Thursday, Aug. 27, 26 **Start Time:** 9:00 am AM/PM

End Time: 12:00 pm AM/PM

Location: Public Hearing Room

MEDIA HANDLING

Recording Format: ☒ MP4 ☐ MP3 ☐ Other: _____

Delivery Method: ☒ Email ☐ USB Drive ☐ Cloud Link ☐ Other: _____

CERTIFIED BY AV:

Name: Zack Quinata

Signature: 

Posted on/Air Date: 2026-08-20 to 2026-08-27



NOTICE OF PUBLIC HEARING
Thursday, August 27, 2026, 9:00 A.M.

The Committee on Finance and Government Operations will conduct a public hearing on **Thursday, August 27, 2026**, beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:

- Bill No. 342-38 (LS) – **Vice Speaker V. Anthony Ada** – AN ACT TO ADD A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED AND A NEW § 26812 TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, AS ENACTED BY PUBLIC LAW 38-115, RELATIVE TO ESTABLISHING THE GMH CAPITAL PRESERVATION FUND AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO PUBLIC LAW 38-115 FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.

SENATOR CHRISTOPHER M. DUEÑAS

COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS



- Bill No. 345-38 (LS) – **Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs** – AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

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Karl Pangelinan <karl.p@guamlegislature.gov>

2nd Notice - Public Hearing Thursday 8/27/26 - 9am

1 message

Karl Pangelinan <karl.p@guamlegislature.gov>
To: phnotice@guamlegislature.gov
Cc: Senator Chris Duenas <senator.duenas@guamlegislature.gov>

Tue, Aug 25, 2026 at 8:58 AM

FOR IMMEDIATE RELEASE

August 25, 2026

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: Second NOTICE of Public Hearing on August 27, 2026

The Committee on Finance and Government Operations will hold a public hearing on **Thursday, AUGUST 27, 2026**, beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:

- **Bill No. 342-38 (LS) – Vice Speaker V. Anthony Ada** – AN ACT TO ADD A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED AND A NEW § 26812 TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, AS ENACTED BY PUBLIC LAW 38-115, RELATIVE TO ESTABLISHING THE GMH CAPITAL PRESERVATION FUND AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO PUBLIC LAW 38-115 FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.
- **Bill No. 345-38 (LS) – Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs** – AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

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The Public Hearing will be broadcast LIVE on local television (GTA Channel 21, Docomo Channel 117) and streamed online through I Liheslaturan Guåhan's YouTube Channel ([@guamlegislaturemedia](#)).



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Office of Senator Christopher M. Dueñas

CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

FOR IMMEDIATE RELEASE

August 25, 2026

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government Operations

Re: Second NOTICE of Public Hearing on August 27, 2026

The Committee on Finance and Government Operations will hold a public hearing on **Thursday, AUGUST 27, 2026**, beginning at **9:00 am** at the Public Hearing Room in the Guam Congress Building.

The agenda is as follows:

- [Bill No. 342-38 \(LS\)](#) – **Vice Speaker V. Anthony Ada** – AN ACT TO ADD A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED AND A NEW § 26812 TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, AS ENACTED BY PUBLIC LAW 38-115, RELATIVE TO ESTABLISHING THE GMH CAPITAL PRESERVATION FUND AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO PUBLIC LAW 38-115 FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.
- [Bill No. 345-38 \(LS\)](#) – **Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs** – AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

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Office of Senator Christopher M. Dueñas

CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

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This ad was paid with funds by the Committee of Finance and Government Operations.

OFFICE OF SENATOR CHRISTOPHER M. DUEÑAS

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Second Notice of Public Hearing 8/27/26 - 9am

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Second Notice of Public Hearing 8/27/26 - 9am

PUBLIC HEARING

 **Posted on:** 08/25/2026 08:58 AM

 **Posted by:** Karl Pangelinan

 **Public Hearing Date:** 08/27/2026 09:00 AM

 **Department(s):**
GUAM LEGISLATURE (/notices?department_id=92)

 **Division(s):**
OFFICE OF SENATOR CHRISTOPHER M. DUENAS (/notices?
division_id=267)

 **Notice Topic(s):** PUBLIC HEARING (/notices?topic_id=74)

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FOR IMMEDIATE RELEASE

August 25, 2026

MEMORANDUM

To: All Senators, Stakeholders, and Media

From: Senator Christopher M. Dueñas
Chairman, Committee on Finance and Government
Operations

Re: Second NOTICE of Public Hearing on August 27,
2026_____

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The agenda is as follows:

- Bill No. 342-38 (LS) – Vice Speaker V. Anthony Ada – AN ACT TO ADD A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED AND A NEW § 26812 TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, AS ENACTED BY PUBLIC LAW 38-115, RELATIVE TO ESTABLISHING THE GMH CAPITAL PRESERVATION FUND AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO PUBLIC LAW 38-115 FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.
- Bill No. 345-38 (LS) – Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs – AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

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I LIHESLATURAN GUÅHAN
COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

Office of Senator Christopher M. Dueñas, Chairman

PUBLIC HEARING AGENDA

Date: Thursday, August 27, 2026

Time: 9:00 AM

Location: Public Hearing Room, Guam Congress Building, Hagåtña, Guam

I. CALL TO ORDER

II. OPENING REMARKS

III. ITEMS FOR DISCUSSION

- **Bill No. 342-38 (LS) (Vice Speaker V. Anthony Ada)** – AN ACT TO ADD A NEW § 80126 TO CHAPTER 80, TITLE 10, GUAM CODE ANNOTATED AND A NEW § 26812 TO CHAPTER 26, TITLE 11, GUAM CODE ANNOTATED, AS ENACTED BY PUBLIC LAW 38-115, RELATIVE TO ESTABLISHING THE GMH CAPITAL PRESERVATION FUND AND DEDICATING CERTAIN REVENUES COLLECTED PURSUANT TO PUBLIC LAW 38-115 FOR PERMANENT CAPITAL INFRASTRUCTURE IMPROVEMENTS AT THE GUAM MEMORIAL HOSPITAL AUTHORITY.

- **Bill No. 345-38 (LS) (Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs)** – AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

IV. PUBLIC TESTIMONY & PUBLIC COMMENTS

V. ANNOUNCEMENTS & ADJOURNMENT

For written testimony, participation requests, or special accommodations (ADA), please contact:

Office of Senator Christopher M. Dueñas | 259 Martyr Street, Hagåtña, Guam 96910

Tel: (671) 989-9554 | Email: senator.duenas@guamlegislature.gov



Date: August 27, 2026

I Mina'trentai Ocho na Liheslaturan Guahan
Office of Senator Christopher M. Duenas
Chairman, Committee on Finance and Government Operations

Time: 9:00 a.m.

Bill No. 345-38 (LS) – Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs – AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

	Name	Agency / Address	Contact No.	Email	Type of Testimony		Support	
					Oral	Written	Yes	No
1	Chambers	GPA	X. 3082	cmamovich@gpagwa.com			✓	
2	T. Rojas	GPA	300-6833	tgrojas@guamtelecoms.org			✓	
3	John Benavente	GPA	X. 3089	jbenavente@gpagwa.com	✓	✓	✓	
4	John J. Kim	GPA	X. 3480	jkKim@gpagwa.com	✓	✓	✓	
5	Joleen Topasna	GPA	X3145	jtopasna@gpagwa.com			✓	
6	Jon							
7	Zaldy Tugade	Gm HA		zaldy.tugade@gmha.org			✓	
8	Jannica Taimaylo	CEMHA		jannica.taimaylo@gmha.gov.gu			✓	
9	JOHN SAN NICOLAS	GEDA	647.4332	jsannicolas@nveriguam.com				
10								
11								
12								



GUAM POWER AUTHORITY

ATURIDÂT ILEKTRESEDÂT GUÅHAN
P.O.BOX 2977 • HAGÂTNÂ, GUAM U.S.A. 96932-2977

GM 2656

August 27, 2026

Honorable Christopher M. Duenas
Chairperson
Committee on Finance and Government Operations
I Mina'trentai Ocho Na Liheslaturan Guåhan
Suite 101-B
259 Martyr Street
Hagåtña, Guam 96910
senator.duenas@guamlegislature.gov

Honorable Jesse A. Lujan
Chairperson
Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs
I Mina'trentai Ocho Na Liheslaturan Guåhan
Suite 101-A
259 Martyr Street
Hagåtña, Guam 96910
senator.lujan@guamlegislature.gov

Re: Bill No. 345-38 (LS)
AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF THE GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS

Håfa adai, Senators Dueñas and Lujan:

Thank you for considering Bill 345-38 (LS). This bill addresses two important issues involving GPA finances and operations: to capture available refinancing savings and to provide a funding source for critical CIP projects to enhance the reliability of the Island-Wide Power System (IWPS) with little to no impact on ratepayers.

On the issue of refinancing, GPA continuously evaluates its operations and finances to identify issues that will yield improved service and cost savings for its ratepayers. Refinancing certain revenue bonds is one avenue to achieve financial benefits to the Authority, savings to ratepayers, and/or improved services. If

passed, Bill 345 will provide GPA the flexibility to refinance provided that a minimum of 2% savings is achieved.

Market conditions may provide an opportunity to refinance all or a portion of its outstanding revenue bonds. As of July 2026, GPA has four outstanding series revenue bonds totaling approximately \$406 million (M). The series consists of the: 2014 Series Senior Revenue Bonds (\$5M); 2017 Series A Revenue Refunding Bonds (\$135M); 2022 Series Revenue Refunding Bonds (\$213M); and 2024 Series A Revenue Refunding Bonds (\$53M). Annual debt service payment for the series bonds amounted to approximately \$37.6M in Fiscal Year 2025. The 2017 Series Revenue Refunding Bonds represent the earliest potential refinancing opportunity among GPA's outstanding long-term revenue bonds. The bonds are callable beginning October 1, 2027, subject to applicable redemption provisions.

On the issue of new bond issuance, GPA seeks authorization to issue revenue bonds, in multiple issuances, approximately \$375M to finance capital improvement projects (CIPs). I have identified a series of CIPs critical to modernizing the island's electrical infrastructure that will enhance the reliability, sustainability and affordability of power service to the people of Guam. Utility assets require consistent and constant maintenance and upgrades – and possibly replacement after it reaches the end of its useful life. As the power industry modernizes, threats emerge, and mandates are issued to GPA, new assets must be added to the IWPS.

The proceeds from the bond issuance(s), approximately \$300M, will be used to:

1. Upgrade and expand power generation assets to ensure energy security and grid resilience, particularly in the face of increasing demand and potential natural disasters;
2. Modernize transmission and distribution systems to reduce energy losses, improve voltage stability, and minimize service disruptions;
3. Incorporate advanced technologies and renewable energy integration to align with Guam's energy goals and reduce dependence on imported fossil fuels and severe fuel market swings; and
4. Enhancing overall system reliability and regulatory compliance.

Summary of Proposed Bond Projects

Generation	\$ 37,363,000
Generation Fire Protection	\$ 4,700,000
Transmission	\$ 146,075,257
Distribution	\$ 56,290,625
Facilities and Security	\$ 40,410,000
IT/OT	\$ 4,045,000
Water/Wastewater	\$ 2,170,000
Total Bond CIPs:	\$ 291,053,882

Additional Funding Required

Capitalized Interest	\$ 43,000,000
Debt Service Reserve Fund	\$ 25,500,000
Cost of Issuance	\$ 1,400,000
Underwriter Discount	\$ 2,700,000
Contingency	\$ 1,846,118
Total Additional Funding:	\$ 74,446,118

TOTAL REQUEST: \$365,500,000

GPA's intention is to issue bonds without increasing utility rates. Currently, GPA can issue \$60M of bonds without increasing utility rates. The proposed legislation reflects GPA's request to issue up to \$375M for future capital improvement projects to meet the island's needs as the economy grows. There is a potential growth of up to 100 MW in additional demand from military operations and activities. Increased revenue from growth sectors such as military operations and data centers mitigates the need to increase rates.

Bill 345-38 (LS)

GPA Testimony

Page 3 of 3

Should new rates or a rate adjustment be necessary, GPA will work with the CCU, PUC, and ratepayers to determine an equitable adjustment.

In closing, we all know that government borrowing is a difficult decision. I do not take lightly my request for approval. However, this borrowing request is responsible and necessary as it directly improves our power grid when we need it the most. We cannot delay.

Reliable electricity is the backbone of the island's economy. It keeps our hospitals running, our schools open, and our families safe. An investment in our power grid is an investment in Guam's economy and safety.

I urge you to support this prudent measure.

Si Yu'os ma'åse' for your consideration.

Senseramente,



John M. Benavente, P.E.
General Manager

attachment: Exhibit 1 - Proposed Bond Projects

cc:
CCU
PUC

GUAM POWER AUTHORITY
Exhibit 1
Bond Funded Projects

Line Item No.	CIP DESCRIPTION	Funding Source	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
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DISTRIBUTION														
1	P-090 Extension to Paradise Estates Underground Extension	B1	Distribution UG Extension					\$ 4,600,000	\$ 4,600,000					\$ 9,200,000
2	Manglao Village Underground Conversion Project	B1	Distribution UG Conversion	\$ -	\$ -	\$ -	\$ -	\$ 15,696,875	\$ 15,696,875	\$ 15,696,875				\$ 47,090,625

DISTRIBUTION:

FACILITIES, SECURITY, EQUIPMENT														
1	Tanguisson Power Plant Decommissioning	B1	FSE Env't					\$ 500,000	\$ 500,000	\$ 500,000				\$ 1,500,000
2	40-Ton Crane	B1	FSE Heavy Equipment	\$ -	\$ 450,000	\$ -	\$ -	\$ 450,000						\$ 900,000
3	Video Wall replacement/upgrade and training	B1	FSE PSCC	\$ -	\$ 600,000	\$ -	\$ -	\$ -						\$ 600,000
4	Facilities Physical Security - Substation Phase I	B1	FSE Security					\$ 1,200,000	\$ 800,000	\$ 500,000	\$ 500,000	\$ 500,000		\$ 3,500,000
5	Fadlan Perimeter Intrusion Detection System (PIDS)	B1	FSE Security	\$ 200,000	\$ -	\$ -	\$ -	\$ -						\$ 200,000
6	Substation Perimeter Intrusion Detection System (PIDS)	B1	FSE Security					\$ 800,000	\$ 800,000	\$ 600,000	\$ 600,000	\$ 600,000		\$ 3,400,000
7	Substation Hardening/Concrete Fencing (Design/Build) - Talofofo	B1	FSE Security	\$ -	\$ -			\$ 500,000	\$ 1,700,000					\$ 2,200,000
8	T&D Master Plan (T&D Admin, Meter/Relay)	B1	FSE T&D Bldg DRO					\$ 5,000,000	\$ 13,000,000	\$ 7,000,000	\$ -			\$ 25,000,000
9	Trimming Equipment - Side Cutter	B1	FSE Vegetation Mgmt	\$ -	\$ 300,000	\$ 300,000	\$ -							\$ 600,000

Bond Funded Projects

Line Item No.	CIP DESCRIPTION	Funding Source	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
10	Tree Trimming Equipment - Gradall XL4100V	B1	FSE Vegetation Mgmt	\$ -	\$ 560,000	\$ -	\$ -	\$ -						\$ 560,000
11	Trimming Equipment - Implements for Side Cutter	B1	FSE Vegetation Mgmt	\$ -	\$ 300,000	\$ 150,000	\$ -	\$ -						\$ 450,000
12	Cabras I and II Power Plant Decommissioning	B3	FSE Env'l					\$ 500,000	\$ 500,000	\$ 500,000				\$ 1,500,000

FACILITIES, SECURITY, EQUIPMENT

GENERATION

1	MCT Engine Overhaul or Turbine Exchange	B1	Generation CT	\$ -	\$ -	\$ -	\$ 3,500,000							\$ 3,500,000
2	YCT Engine Overhaul or Turbine Exchange	B1	Generation CT	\$ -	\$ -	\$ -		\$ 3,500,000						\$ 3,500,000
3	DCT 2 Hot Gas Path Inspection (HGPI) and Exchange	B1	Generation CT	\$ 2,000,000	\$ 1,300,000	\$ -	\$ -	\$ -						\$ 3,300,000
4	DCT 1 Hot Gas Path Inspection (HGPI) and Exchange	B1	Generation CT	\$ -	\$ -	\$ 3,300,000	\$ -	\$ -						\$ 3,300,000
5	Piti 7 Fire Protection Upgrade	B1	Generation CT	\$ -			\$ -	\$ 1,000,000	\$ 1,000,000					\$ 2,000,000
6	Piti 7 Overhaul	B1	Generation CT	\$ -	\$ -	\$ -	\$ 3,000,000							\$ 3,000,000
7	Piti 7 Upgrade Mark V Control System	B1	Generation CT	\$ -	\$ -	\$ -		\$ 950,000						\$ 950,000
8	Vigo CT Control System Upgrade	B1	Generation CT	\$ -	\$ 500,000	\$ 469,000	\$ 469,000							\$ 1,438,000
9	Replace MCT Control System with new upgrade control system for LM 2500 and integrated SSCP, AVR, TCP, GCP, VMS, BOP control system and remote control capability from other site.	B1	Generation CT	\$ -	\$ -	\$ 950,000	\$ -	\$ -						\$ 950,000

Bond Funded Projects

Line Item No.	CIP DESCRIPTION	Funding Source	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
10	DCT-1 Main Generator Major Overhaul	B1	Generation CT	\$ -	\$ -	\$ 850,000	\$ -	\$ -						\$ 850,000
11	DCT-2 Main Generator Major Overhaul	B1	Generation CT	\$ -	\$ -	\$ -	\$ 850,000							\$ 850,000
12	DCT-2 13.8kV Switchgear Panel and 480V POP Panel Upgrade	B1	Generation CT	\$ -	\$ -	\$ -	\$ 450,000							\$ 450,000
13	MCT Black Start Control System and Power Panel Upgrade	B1	Generation CT	\$ 220,000	\$ -	\$ -	\$ -	\$ -						\$ 220,000
14	MCT YCT LM2500 CO2 Firefighting System Upgrade	B1	Generation CT	\$ -	\$ 200,000	\$ -	\$ -	\$ -						\$ 200,000
15	DCT-1 Gearbox Major Overhaul Parts and Technical Advisory Services for GE 5001/P	B1	Generation CT	\$ -	\$ 400,000	\$ -	\$ -	\$ -						\$ 400,000
16	Tenjo Vista (Units 1-5) Replace/Repair Exhaust Breaching Ducts	B1	Generation Diesels	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000							\$ 2,000,000
17	Tenjo Vista (Units 2-4) Replacement/Fabrication of Cooling Towers, including installation	B1	Generation Diesels	\$ -	\$ 400,000	\$ 400,000	\$ 400,000	\$ -						\$ 1,200,000
18	Tenjo Vista (Units 1, 3 & 5) Engine Top End Overhaul Repair Kits	B1	Generation Diesels	\$ 300,000	\$ 300,000	\$ -	\$ 300,000							\$ 900,000
19	MDI (Units 1 & 2) Remove, Replace and Install New Cooling Towers	B1	Generation Diesels	\$ -	\$ 400,000	\$ 400,000	\$ -	\$ -						\$ 800,000
20	Tenjo Vista (Plant Bldg) Upgrade Exhaust Ventilation Fans	B1	Generation Diesels	\$ -	\$ 800,000	\$ -	\$ -	\$ -						\$ 800,000
21	MDI (Units 1&2) Turbo Chargers 2ea/unit	B1	Generation Diesels	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ -						\$ 600,000
22	Tatofofo (Units 1&2) Engine Overhaul Repair Kits	B1	Generation Diesels	\$ -	\$ 300,000	\$ -	\$ 300,000	\$ -						\$ 600,000

Bond Funded Projects

Line Item No.	CIP DESCRIPTION	Funding Source	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
23	Tenjo Vista (Unit 3) Replace/Repair Crankshaft	B1	Generation Diesels	\$ -	\$ 400,000	\$ -	\$ -	\$ -						\$ 400,000
24	Tenjo Vista (Units 2,3 & 5) Replacement of After Coolers	B1	Generation Diesels	\$ -	\$ 110,000	\$ 110,000	\$ 110,000							\$ 330,000
25	Talofofo (Units 1&2) Replace Turbo Chargers 2ea/unit	B1	Generation Diesels	\$ -	\$ -	\$ 300,000	\$ -	\$ -						\$ 300,000
26	Tenjo Vista (Units 1-5) Replace Exhaust Manifold Sets	B1	Generation Diesels	\$ 100,000	\$ -	\$ 100,000	\$ 100,000							\$ 300,000
27	Tenjo Vista (Units: 2&3) Replace Turbo Chargers 2ea/unit	B1	Generation Diesels	\$ -	\$ -	\$ 300,000	\$ -	\$ -						\$ 300,000
28	Talofofo (Units 1&2) Replace Exhaust Manifold Sets	B1	Generation Diesels	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ -						\$ 200,000
29	Tenjo Vista (Units 1-4) Replace/Refurbish Unit Engine Main Oil Pump	B1	Generation Diesels	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000							\$ 120,000
30	Talofofo (Plant) Upgrade Ventilation Screen	B1	Generation Diesels	\$ -	\$ 100,000	\$ -	\$ -							\$ 100,000
31	Tenjo Vista (Units 1, 2&3) Voltage Regulator for Units	B1	Generation Diesels	\$ -	\$ 30,000	\$ 30,000	\$ 30,000							\$ 90,000
32	Tenjo Vista (Units 1-4) Replace Starting Air Motors	B1	Generation Diesels	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000							\$ 80,000
33	Talofofo (Plant) Upgrade Lube Oil Holding Tanks	B1	Generation Diesels	\$ -	\$ -	\$ 60,000	\$ -	\$ -						\$ 60,000
34	Talofofo (Plant) Upgrade Septic Tank Cover	B1	Generation Diesels	\$ -	\$ -	\$ 20,000	\$ -	\$ -						\$ 20,000
35	Piti 7 Fuel Line Upgrade	B1	Generation Fuel	\$ -	\$ 300,000	\$ -	\$ -	\$ -						\$ 300,000
36	Piti 7 Day Tank Upgrade	B1	Generation Fuel	\$ -	\$ 250,000	\$ -	\$ -	\$ -						\$ 250,000
37	Fire Protection for Storage Tank 1934 & 1935	B1	Generation Fuel	\$ 500,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -						\$ 2,500,000
38	Leak Detection System Upgrade	B1	Generation Fuel	\$ -	\$ -	\$ -	\$ 500,000							\$ 500,000

Bond Funded Projects

Line Item No.	CIP DESCRIPTION	Funding Source	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
39	Bulk Fuel Farm Facility - ATG Upgrade for Tank 1934 and Tank 1935	B1	Generation Fuel	\$ -	\$ -	\$ -	\$ 100,000							\$ 100,000
40	Tank 1934 Varc Gauge Upgrade	B1	Generation Fuel	\$ -	\$ -	\$ -	\$ 50,000							\$ 50,000
41	Bulk Fuel Farm - Ukudu Pump Station % LDS DCS Installation	B1	Generation Ukudu	\$ -	\$ -	\$ -	\$ 100,000							\$ 100,000
42	LNG Study	B1	Generation Ukudu	\$ 800,000	\$ 800,000	\$ 1,300,000	\$ 195,000							\$ 3,095,000
43	Macheche/Yigo CT Remote Control System/Auto-Start	B3	Generation CT	\$ -	\$ 200,000	\$ 430,000	\$ 430,000							\$ 1,060,000

TOTAL GENERATION:
TOTAL FIRE PROTECTION UPGRADES

TRANSMISSION & SUBSTATIONS

1	Harmon X82 to Yigo X160 UG Line	B1	Transmission Hardening	\$ -	\$ -	\$ -	\$ -	\$ 37,392,724						\$ 37,392,724
2	New Fadian Substation 34.5kV Line	B1	Transmission New	\$ -	\$ -	\$ -	\$ -	\$ 18,000,000						\$ 18,000,000
3	Harmon-Dadado CT 34.5kV UG Transmission Line	B1	Transmission Hardening	\$ 1,000,000	\$ 5,500,000	\$ 5,500,000	\$ -	\$ -						\$ 12,000,000
17	GAA to Barrigada Underground Transmission Line	B1	Transmission Hardening						\$ 320,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 6,000,000	\$ 21,320,000
5	Mobile Substation - 30MVA	B1	Transmission Substation	\$ -	\$ 5,000,000	\$ -	\$ -	\$ -						\$ 5,000,000
6	Yigo Substation Building Refurbishment	B1	Transmission Substation						\$ 200,000	\$ 200,000	\$ 100,000	\$ -	\$ -	\$ 500,000
7	New Central Substation	B1	Transmission Substation	\$ -	\$ -	\$ -	\$ -		\$ 17,166,533					\$ 17,166,533
8	New Northern Substation near Potts Junction	B1	Transmission Substation						\$ 500,000	\$ 4,000,000	\$ 5,000,000	\$ 4,000,000	\$ -	\$ 13,500,000

Bond Funded Projects

Line Item No.	CIP DESCRIPTION	Funding Source	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
9	Apra Heights Substation - 115/34.5kV Transformer Upgrade	B1	Transmission Substation						\$ 500,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	\$ 9,500,000
10	34.5 & 115kV Line Relay Upgrade (IWPS)	B1	Transmission Upgrade						\$ 666,000	\$ 700,000	\$ 730,000	\$ -	\$ -	\$ 2,096,000
12	Protection Relays, ICON	B1	Transmission Upgrade						\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -	\$ 600,000
13	Piti-Harmon 115kV Pole Upgrade	B1	Transmission Upgrade						\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 3,000,000
	Mobile Substation - 30MVA (Bond)	B2	Transmission Substation						\$ -	\$ -	\$ -	\$ -	\$ 5,000,000	\$ 5,000,000
14	115kV Line 1 and Line 2 Structure Repair	B1	Transmission Upgrade						\$ 500,000	\$ 3,000,000	\$ 3,000,000	\$ 4,000,000	\$ -	\$ 10,500,000

TRANSMISSION & SUBSTATIONS:

WATER & WASTEWATER

1	Deep Well Production Facilities Generator Replacements (125kW)	B1	W/W Deep Well						\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000	\$ 875,000
2	Waste Water Collection Facilities Generator Replacements (60kW)	B1	W/W Wastewater						\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 27,000	\$ 567,000
3	Wastewater Treatment Facilities Generator Replacements (1750kW)	B1	W/W Wastewater						\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
4	Water Distribution Facilities Generator Replacements (30kW)	B1	W/W Water Distribution						\$ 23,000	\$ 23,000	\$ 23,000	\$ -	\$ -	\$ 69,000

Bond Funded Projects

Line Item No.	CIP DESCRIPTION	Funding Source	Category	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
5	Water Distribution Facilities Generator Replacements (60kW)	B1	W/W Water Distribution						\$ 27,000	\$ 27,000	\$ -	\$ -	\$ -	\$ 54,000
6	Water Distribution Facilities Generator Replacements (125kW)	B1	W/W Water Distribution						\$ 35,000	\$ 35,000	\$ 35,000	\$ -	\$ -	\$ 105,000

WATER & WASTEWATER:
TOTAL WATER & WASTEWATER:

LOURDES A. LEON GUERRERO

Governor of Guam
I Maga'Haga Guahan

JOSHUA F. TENORIO

Lt. Governor of Guam
I Segundo Na Maga'Lahen Guahan



CHRISTINA D. GARCIA

Chief Executive Officer/Administrator
Uñsiãt Atmenestradoran Eksekutibon Akãdi

CARLOS P. BORDALLO

Deputy Administrator
Sigundo Atmenestradõt

August 26, 2026

Senator Jesse A. Lujan

Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs

Calvo Arriola Bldg. Suite 101-A

259 Martyr Street

Hagatna, Guam 96910

senator.lujan@guamlegislature.gov

Re: Testimony on Bill No. 345-38 (LS)

Håfa Adai Senator Lujan and members of *I Mina'trentai Ocho Na Liheslaturan Guåhan*,

On behalf of the Guam Economic Development Authority (GEDA), thank you for the opportunity to submit written testimony in strong support of Bill No. 345-38 (LS), AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

As the central financial manager and consultant for the Government of Guam, GEDA monitors and advises the government on financial options that best support our island's strategic goals and infrastructure requirements. GEDA fully supports the Guam Power Authority's (GPA) efforts to finance critical capital improvement projects, including energy storage, generation, transmission, distribution, and environmental compliance upgrades to improve the delivery of affordable power to the island.

While the legislation authorizes up to \$375 million in revenue bonds, our analysis and ongoing coordination with GPA demonstrate a fiscally prudent implementation strategy as follows:

- **Mitigated Ratepayer Impact:** GPA plans to execute an initial issuance of approximately \$60 million, effectively preventing sharp, immediate impacts on ratepayer bills.
- **Manageable Debt Service:** Under current market conditions, this initial \$60 million issuance carries an estimated annual debt service of approximately \$5 million at an All-in True Interest Cost (TIC) of 5.11%.
- **Active Refunding Authority:** The bill allows GPA to refund existing revenue bonds whenever a minimum net present value savings of 2% can be achieved, giving GPA a valuable tool to manage cash flow and alleviate rate pressures.

- **Local Sales Opportunities:** GEDA will exercise best efforts to offer bond purchasing opportunities to Guam residents and GPA employees, keeping financial benefits local without increasing overall borrowing costs.
- **Standard Legislative Terms:** The financial terms and conditions in Bill No. 345-38 (LS) align with standard GovGuam bond financing statutes and maintain complete oversight by the CCU, GPUC, and GEDA.

In closing, Bill No. 345-38 (LS) presents no direct impact on the current financial position of the Government of Guam's General Fund. It will provide substantial opportunities for future rate payer savings and long-term grid stability. GEDA respectfully requests your favorable consideration and swift passage of Bill 345-38 (LS).

Senseremente,


Christina D. Garcia
CEO/Administrator
Guam Economic Development Authority



Office of Senator Christopher M. Dueñas
CHAIRMAN, COMMITTEE ON FINANCE AND GOVERNMENT OPERATIONS

COMMITTEE VOTE SHEET

Bill No. 345-38 (LS) - *As Introduced* – Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs – *An Act Relative To Approving The Terms And Conditions Of The Issuance By Guam Power Authority Of Revenue Bonds To Finance Capital Improvements To The Island-Wide Power System Including Certain Energy Storage, Generation, Transmission And Distribution Projects, And To Approve The Terms And Conditions Of Guam Power Authority Revenue Bonds To Refinance Guam Power Authority Revenue Bonds.*

Committee Members	Signature	TO DO PASS	TO NOT PASS	TO REPORT OUT ONLY	TO ABSTAIN	TO PLACE IN INACTIVE FILE
Senator Christopher M. Dueñas <i>Chairperson</i>	 9/8/26	X				
Senator V. Anthony Ada <i>Vice Chairperson</i>	E-Vote 9/9/26			X		
Senator Frank F. Blas, Jr. <i>Member</i>	E-Vote 9/8/26			X		
Senator Sabrina Salas Matanane <i>Member</i>						
Senator Jesse A. Lujan <i>Member</i>	E-Vote 9/8/26	X				
Senator Vincent A.V. Borja <i>Member</i>						
Senator Tina Rose Muña Barnes <i>Member</i>						
Senator Joe S. San Agustin <i>Member</i>	E-Vote 9/8/26			X		



Senator Chris Duenas <senator.duenas@guamlegislature.gov>

URGENT REQUEST FOR EVOTE: Bill No. 345-38 (LS)

6 messages

FP1 Mariñas <fp1marianas@gmail.com>
To: cmdcommittee@guamlegislature.gov

Tue, Sep 8, 2026 at 2:50 PM

Håfa Ådai Committee Members!

Please see attached Committee Report for Bill No. 345-38 (LS) - Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs - **As Introduced** - *An Act Relative To Approving The Terms And Conditions Of The Issuance By Guam Power Authority Of Revenue Bonds To Finance Capital Improvements To The Island-Wide Power System Including Certain Energy Storage, Generation, Transmission And Distribution Projects, And To Approve The Terms And Conditions Of Guam Power Authority Revenue Bonds To Refinance Guam Power Authority Revenue Bonds.*

Indicate your preferred action:

- TO DO PASS
- TO NOT PASS
- TO REPORT OUT ONLY
- TO ABSTAIN
- TO PLACE IN INACTIVE FILE

Please submit your response **ASAP**. Your responses will be logged into the vote sheet which will be submitted as part of the final Committee Report to the Committee on Rules.

 **345 - Route.pdf**
6864K

Senator Chris Duenas <senator.duenas@guamlegislature.gov>
To: FP1 Mariñas <fp1marianas@gmail.com>
Cc: cmdcommittee@guamlegislature.gov

Tue, Sep 8, 2026 at 2:52 PM

To Do Pass



Office of Senator Christopher M. Dueñas

Chairman, Committee on Finance and Government Operations

259 Martyr St., Hagatna, Guam 96910

senator.duenas@guamlegislature.gov

(671) 989-9554

[Quoted text hidden]

Joe S. San Agustin <senatorjoessanagustin@gmail.com>
To: FP1 Mariñas <fp1marianas@gmail.com>
Cc: cmdcommittee@guamlegislature.gov

Tue, Sep 8, 2026 at 3:02 PM

To Report Out Only

The Office of Senator Joe S. San Agustin

I Mina'trentai Ocho na Liheslaturan Guåhan

38th Guam Legislature

Guam Congress Building, 163 Chalan Santo Papa, Hagåtña, Guam 96910

T: (671) 989-5445 F: (671) 969-6737 E: senatorjoessanagustin@gmail.com

Website: www.senatorjoessanagustin.com

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Senator Jesse Lujan <senator.lujan@guamlegislature.gov>
To: "Joe S. San Agustin" <senatorjoessanagustin@gmail.com>
Cc: FP1 Mariãnas <fp1marianas@gmail.com>, cmdcommittee@guamlegislature.gov

Tue, Sep 8, 2026 at 3:16 PM

To Do Pass.

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Office of Majority Leader Jesse A. Lujan

Chairman, Committee on Transportation, Tourism, Customs, Utilities and Federal & Foreign Affairs

259 Martyr St., Hagatna, Guam 96910

senator.lujan@guamlegislature.gov

(671) 969-6525

Speaker Frank Blas Jr. <speakerblas@guamlegislature.gov>
To: Senator Jesse Lujan <senator.lujan@guamlegislature.gov>
Cc: "Joe S. San Agustin" <senatorjoessanagustin@gmail.com>, FP1 Mariãnas <fp1marianas@gmail.com>, cmdcommittee@guamlegislature.gov

Tue, Sep 8, 2026 at 3:41 PM

To Report Out Only



Speaker, Frank F. Blas, Jr.

I Mina'trentai Ocho na Liheslaturan Guahan 38th Guam Legislature

Guam Congress Building, 163 Chalan Santo Papa, Hagatña

(671)969-6456

speakerblas@guamlegislature.gov

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[Quoted text hidden]

Vice Speaker V. Anthony Ada <vicespeakertonyada@guamlegislature.gov>

Wed, Sep 9, 2026 at 9:49 AM

To: "Speaker Frank Blas Jr." <speakerblas@guamlegislature.gov>

Cc: Senator Jesse Lujan <senator.lujan@guamlegislature.gov>, "Joe S. San Agustin" <senatorjoessanagustin@gmail.com>, FP1 Mariñas <fp1marianas@gmail.com>, cmdcommittee@guamlegislature.gov

To report out only

[Quoted text hidden]

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Office of Vice Speaker V. Anthony Ada

38th Guam Legislature

I Mina'trentai Ocho Na Liheslaturan Guåhan

Guam Congress Building, 2nd Floor

163 Chalan Santo Papa

Hagåtña, Guam 96910

Phone: (671) 989-0855

Email: vicespeakertonyada@guamlegislature.gov

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COMMITTEE REPORT DIGEST*Committee on Finance and Government Operations*

Senator Christopher M. Dueñas, Chairman

I. OVERVIEW

Bill No. 345-38 (LS) was introduced by the Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs on August 5, 2026 and referred to the Committee on Finance and Government Operations by the Committee on Rules on August 11, 2026. The Committee held a public hearing on August 27, 2026, at 9:00AM in the Guam Congress Building's Public Hearing Room.

Notices for the hearing were posted on the Government Public Notices Portal and distributed via email to all senators and major media outlets on August 20, 2026 (5-day notice) and again on August 25, 2026 (C48-hour notice).

SENATORS PRESENT

Christopher M. Dueñas, Chairman

V. Anthony Ada, Vice Chairman

Jesse A. Lujan

Eulogio “Shawn” Gumataotao

ORAL TESTIMONY:

John Benavente, General Manager of Guam Power Authority

Christina Garcia, CEO and Administrator of GEDA

John Kim, CFO of Guam Power Authority

APPEARED BEFORE THE COMMITTEE:

John Benavente, General Manager of Guam Power Authority

Christina Garcia, CEO and Administrator of GEDA

John Kim, CFO of Guam Power Authority

Teresa Rojas, Interim Substitute Legal Council, Guam Power Authority

II. SUMMARY OF TESTIMONY & DISCUSSION

The public hearing for Bill No. 345-38 (LS) was called to order at **09:00AM.**

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: And now we will move on to the next bill on the agenda. That is 345-38 (LS) Okay. I'm going to have a difficult time, I think, reading some of the names. So, I'm not going to uh you know, mess that up. So, folks to testify on bill 345-38 (LS), please come forward. After a short recess *Si Yu'os Ma'åse'* for those who have come forward uh for GPA. But in the interim, I will allow the uh author uh Senator uh Jesse Lujan to open up uh on this bill as it is a committee uh presentation. Uh but I'm hearing it uh because it has the financing mechanism in it. So, Senator Lujan, you're recognized to open on bill 345-38 (LS).

SENATOR JESSE A. LUJAN: Thank you very much and good morning uh Mr. Chair and good morning um John B and uh folks from uh GPA, Waterworks as well and GEDA and the committee members. Thank you very much. A good morning everybody. Bill number 345-38 (LS). This uh bill, Mr. Chair, was introduced by the Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs at the request of the Guam Power Authority. At its core, this bill is about making sure GPA has the tools necessary to invest in our power system and provide the reliability, reliable electricity our island depends on. We all know the challenges our power system has faced. GPA is proposing significant investments in generation, transmission, distribution, system hardening, fire protection and other critical infrastructure. This is not simply a GPA issue. It is an economic development issue. Our Governor has talked uh about bringing uh new manufacturing industries to Guam. We are talking about building new hospital. We're talking about increased military activity, data centers, and other industries that could substantially increase demand for electricity. But before we can talk about attracting new industries and expanding our economy, we have to ask a very basic question as well. If we are struggling to meet reliable needs we have today, how are we going to power Guam? Uh we are trying to build for tomorrow. My hope is that this legislation helps us answer that question. I want to

make sure that these investments actually improve reliability, strengthen our grid, increase our capacity, and prepare Guam for future economic growth. At the same time, because these are revenue bonds, ultimately supported by GPA revenues, we have an obligation to understand the costs, the protections for taxpayers, and exactly what the people of Guam are getting in return. That is what I hope that we uh we'll learn here today, Mr. uh Mr. Chair, and hope we can establish that through today's hearing. With that being said, Mr. Chair, thank you very much.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: You're welcome. Uh and also now I would recognize uh John B (*Benavente*). If you can introduce uh your guests and also uh Miss Tina Garcia from um GEDA. Thank you for joining us. Please proceed uh John B (*Benavente*).

JOHN BENAVENTE, GENERAL MANAGER, GPA: Uh *Mañana si Yu'os*, senators, Honorable Chairman Dueñas, Honorable Vice Speaker, Honorable Jesse Lujan, our Oversight Chair, and Honorable Shan Gumataotao from our village of Talofofo. Thank you very much uh for this opportunity to testify before you from Bill 34 uh 345-38 and with me today is uh Mr. John Kim our CFO Guam Power Authority and Mrs. Teresa Rojas is our uh interim substitute legal council for Guam Power Authority. So uh if I may Mr. Chairman, I have a testimony that I can read into the record. I'll try to be as brief as possible. So again, bill 345 again in summary, Mr. Chair instead of reading everything verbatim is really to provide us the authorization to go out and be able to borrow money to refinance plus also actually CIP projects that are necessary as as mentioned by Senator Lujan for the islandwide power system. And this could include energy storage batteries certainly uh the need to uh rehabilitate the uh reserve units that has been running for years now and waiting for the waiting for the *Ukudu* power plant to be completed. And last but not least, as could be seen by the many storms that already have hit Guam over the past several years. Uh there is a need to really begin to put money into the underground system. Now that Guam Power Authority does have the capacity to uh or have the projects in place to take care of generation capacity. So again, thank you for considering Bill 345-38. And this bill addresses two important issues involving GPA finances and operations. and that's to capture available refinancing savings and to provide a funding source for critical CIP projects to enhance the reliability of the island wide power system with little to no rate impact on the rate

payers. On the issue of refinancing, GPA continuously evaluates its operations and finances to identify issues that will yield improved service and cost savings for the ratepayers. Refinancing certain revenue bond is one avenue to achieve financial benefits to the authority, savings to the ratepayer and or improved services. If passed, Bill 345 will provide GPA the flexibility to refinance provided that a minimum of 2% savings is achieved. market conditions may provide an opportunity to refinance all or a portion of his outstanding revenue bonds. As of July 2026, we have four outstanding series revenue bonds totaling approximately 406 million. The series consists of the 2014 uh series senior revenue bond of 5 million, 2017 series A bonds of 135 million, 2022 series bonds 213 million and 2024 series A bonds for 53 million. The annual debt service payment for this bonds amount to about 37.6 million in fiscal year 2025. The 2017 series bond refunding revenue refunding bonds represent the earliest potential refinancing opportunity among GPS outstanding long-term revenue bonds. The bonds are callable beginning on October 1st, 2027 subject to applicable redemption uh provisions. On the issue of new bond issuance, we seek authorization to issue revenue bonds in multiple in issuance approximately 375 million to finance capital improvement projects. I have identified a series of CIPs critical to modernizing the island's electrical infrastructure that would enhance the reliability, sustainability, and affordability of power service to the people of Guam. Utility assets require consistent and constant maintenance and upgrades and possibly replacement after it reaches the end of the useful life. As the power industry modernizes, treat threats emerge and mandates are issued to GPA, new assets must be added to the island-wide power system. The proceeds from the bond issuance approximately 300 million will be used to upgrade and expand power generation assets to ensure energy security and grid resilience, particularly in the face of increasing demand and potential natural disasters. Second, to modernize transmission and distribution system to reduce energy losses, improve voltage stability and minimize service disruptions, most especially through storms. Incorporate advanced technologies and renewable energy integration to align with Guam's energy goals and reduce dependence of import on imported fossil fuels and severe fuel market swings as could be seen today. Enhancing an overall system reliability and regulatory compliance. A summary of the bonds and I'll just run off some of this numbers. Mr. Chair ,chairman if I may. Uh generation is about 37.4 million. Uh generation fire protection about 4.7 million. Transmission about 146 million. Distribution circuits

this is where services through to the homes about 56.3 and facilities and security about 40.4. IT, OT 4 million and water wastewater standby generators and similarly about 2.2 million. So the total amount of money that actually goes into the uh CIP is about 291 million. The others are of course capitalized interest, debt service reserve fund, cost of issuance, underwriter discounts, contingency uh totaling about 74 So therefore that's why our total request is about uh three it's going total 365 total request really is about 350 from my understanding from this bill. Our intention is to issue bonds without increasing utility rates and currently GPA can issue 60 million of bonds uh without increasing those rates. As we noted earlier, the bond issuance will be on [not audible], not all in one time. No? So, we're going to issue the first one based on the rates that uh we have today. The proposed legislation reflects request to issue up to 375 million for future CIP projects to meet the island's need. As the economy grows, there's potential growth of up to 100 megawatts in additional demand for military operations and activities. Increase revenue from growth such as military operations and data centers mitigates the need to increase uh rates. Should rates or rate adjustment be necessary, GPA will work with the CCU, PUC and ratepayers to determine an equitable adjustment. But in closing, we all know the government borrow is a difficult decision. I do not take lightly my request out for approval. However, this borrowing request is responsible and necessary as it directly improves our power grid when we need it the most. We and we cannot delay. Reliable electricity is the backbone of the island's economy. It keeps our hospital running, our schools open, and our families safe. An investment in the power grid is an investment in Guam's economy and safety. So I urge your support for this prudent measure and *Un Dangkolo na Si'Yu'os Ma'āse'* from us in Guam Power Authority

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: *Buen*

probetchu General Manager Benavente. I will now go to the uh author of the bill to be able to oh I'm sorry GEDA will you be presenting today? Please proceed Tina

CHRISTINA GARCIA, CEO, GEDA: Thank you. *Håfa Ådai* Chairman Dueñes, Senator um Lujan, and Senator Gumataotao. Good morning. My name is Christina Garcia. I am the current CEO and Administrator of the Guam Economic Development Authority. And I want to thank you for the opportunity to submit this written testimony and oral in strong support of bill

number 345-38. As the central financial manager and consultant for the government of Guam, GEDA monitors and advises the government on financial options that best support our island strategic goals and infrastructure requirements. GEDA has worked with and now fully supports the Guam Power Authority efforts to finance critical capital improvement projects, including energy storage, generation, transmission, distribution, and environmental compliance upgrades to improve the delivery of affordable power to the island. While the legislation authorizes up to 375 million in revenue bonds, our analysis and ongoing coordination with GPA demonstrates a fiscally prudent implementation strategy as follows. We want to mitigate ratepayer impact. GPA plans to execute an initial issuance of approximately or around 16 million to effectively prevent sharp immediate impacts on ratepayer bills. In essence, we don't want to uh borrow the entire amount and have the money sit. We want to borrow what we can spend within the uh initial next few years. Manageable debt service. Under current market conditions, this initial 60 million issuance carries an estimated annual debt service of approximately 5 million at an all-in true interest cost of 5.11%. Active refunding authority. The bill allows GPA to refund existing revenue bonds whenever a minimum net present value savings of 2% can be achieved, giving GPA valuable tool to manage cash flow and again to alleviate rate pressures. Sorry. Local sale opportunities. GEDA as by law will continue to exercise its best efforts to offer bond purchasing opportunities to Guam residents and to GPA employees, keeping financial benefits local without increasing overall borrowing costs. Standard legislative terms. The financial terms and conditions in Bill number 345-38 align with standard Gov Guam bond financing statutes and maintain complete oversight by requiring the approval of the CCU, the Guam PUC, and the GEDA board. In closing, Bill number 345-38 presents no direct impact on the current financial position of the government of Guam's General Fund, but in essence, it will provide substantial opportunities for future ratepayer savings and long-term grid stability. GEDA respectfully requests your favorable consideration and swift passage of Bill 345-38. *Sinceramente*. Thank you.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: *Si Yu'os Ma'åse'* Tina Garcia from GEDA. Um, Mr. Benavente, anybody else on the panel wish to uh have a statement?

JOHN BENAVENTE, GENERAL MANAGER, GPA: Uh, I think I think I saw it up, Mr. Chairman, but and of course they're available to answer questions that more appropriate than I know.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: Thank you, JB. So, now I will go to the author of the legislation um and the Committee Chair, Senator Lujan.

SENATOR JESSE A. LUJAN: Thank you very much, uh, Mr. Chair, and, uh, thank you again, uh, Mr. Mr. Benavente and your team and uh Tina, thank you for your presentation this this this morning. Uh Mr. Benavente, thank you very much again for um giving us the breakdown on the proposed 375 million bond authorization uh and what it's going to be used for and this will be disseminated to the colleagues. But let me let me ask as well and I you me mentioned it but I want to be specific on this in the rate regards to ratepayer impact and projected savings as these um revenue bonds ultimately supported by uh GPA revenues. Can you provide us the analysis of the anticipated impact on rate uh payers uh including what the effect would have on the the base rates?

JOHN BENAVENTE, GENERAL MANAGER, GPA: Uh that is our goal here and again the even the first 60 uh million will uh the debt service of that will be sustained with occurring rates. It is our plan not to move the base rate. No. And as noted what we foresee is that there are more the military growth is going to happen and with that there's also going to be some growth on the island. There's also data centers that are are working now to to come online. All of that will provide additional energy. All of them will buy additional energy from GPA at the current rate that will generate enough uh uh revenue to take care of the bonds. So as we move forward over the year over the years as again the island grows that's how we're going to uh we're going to fund the uh the additional CIPs. Uh we need to do a lot of things including really transforming our island to more and more underground systems in certain uh distinct areas a little bit at a time but the more prioritize uh priority ones uh uh first the um uh this is is again just a portion of what we're trying to do the Chairman uh the other portion that we're trying trying to do is get uh uh help from the federal government for transmission system. Uh as you may recall, we have put a list of about \$1.5 billion to request what we get all

that funding or portion that will help now significantly on the transmission system because after a storm we have to get the transmission system working before we start doing the distribution. So on our side of the equation uh the nexus from then to fund the distribution is not as great. So therefore that's where we want to put our money into a lot more into the distribution system to the water wells, medical facilities uh high density areas that have a lot more people so that you know we can serve more and stuff and the more we do that the faster we can recover from storm. So this is where we're heading into it. Uh again as you can see there is a qualifier there that if we had to go in and it's really a need and we had to the rate the base rate had to be increased then of course I have to go to CCU the PUC and then we have a rate payers. If they really want underground system a lot faster then that's really the choice of the island you know, but right now under our program we are sticking to uh keeping the rates uh the way the base rate where it is and if I may say Mr. uh Chairman and is that for 12 years uh 13 years GPA did not raise the base rate. The only time the base rate was raised was this January and that was to play for the *Ukudu* power plant and when you take the total the *Ukudu* power plant what we paid for it plus the fuel savings the rates came down for the for the rate periods. No. So again uh we haven't raised the base rate in 13 years and then we don't plan to do that at this.

>> Would would this have any effect on the LEAC or any other pass through mechanism Mr. B?

JOHN BENAVENTE, GENERAL MANAGER, GPA: I'm sorry.

>> Uh would this have any effect on the LEAC or any pass through uh mechanisms?

JOHN BENAVENTE, GENERAL MANAGER, GPA: Uh no, if anything will impact the LEAC is more uh projects that will again uh reduce cost. No. Uh if you put in underground system, less cost for overhead. No. Uh I mean line losses could uh come down. But most of this is really to again improve the reliability of the reserves. So like periods like now we have the reserves available and to protect against storms uh moving forward. Uh you know whatever whatever projects that

come up with the cost saving of course will go uh uh fuel related cost savings will go to the end. But it won't increase.

>> Okay now maybe your CFO can answer this the debt service by by fiscal year what was that anticipated your debt service by fiscal year or assumption used for revenue forecast

JOHN BENAVENTE, GENERAL MANAGER, GPA: I think uh John if you can what will be the debt service uh for the 60 million for the first five, six

JOHN KIM OUR CFO GUAM POWER AUTHORITY: Debt service ratio is between uh 1.3 to 1.1

JOHN BENAVENTE, GENERAL MANAGER, GPA: But the annual amount for that we would be paying for the 60 million?

JOHN KIM OUR CFO GUAM POWER AUTHORITY: Yes so the when we borrow 60 million annual increase in debt service close to \$5 million

JOHN BENAVENTE, GENERAL MANAGER, GPA: So \$5 million so we're going to absorb that within the current

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: Sir please identify yourself for the record.

JOHN KIM OUR CFO GUAM POWER AUTHORITY: Oh yes. My name is John Kim. I'm CFO for Power Authority.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: Thank you, Mr. K.

SENATOR JESSE A. LUJAN: Can you reiterate what you had just said?

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: Just go over that one more time.

JOHN KIM OUR CFO GUAM POWER AUTHORITY: Yes. Uh if he borrowed uh \$60 million, the annual debt service is about additional \$5 million.

SENATOR JESSE A. LUJAN: Okay. And and John, you were saying again that um you don't anticipate any future rate adjustments um or you don't anticipate any future rate adjustments as a result of this issuance right?

JOHN BENAVENTE, GENERAL MANAGER, GPA: Yes thats correct. Under our plan, uh we see revenue growth bring in additional revenues and those revenues will be translated into CIP program uh going out to the bond market most especially in the most appropriate time.

SENATOR JESSE A. LUJAN: Okay. Okay. Now, uh just a couple other questions I have here regards to if you do you have the bill in front of you? Do you have the bill in front of you? The bill in front of you?

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: We'll provide a copy. The Sarge will bring you a copy.

SENATOR JESSE A. LUJAN: I would just like to again um a specific clarification regarding the language on section 3F. You turn to 3F which states, it it says the present value of debt service on the refunding bonds shall be at least 2% less than the present value of debt service on the prior bonds. This savings threshold basically is prudent protection for ratepayers and helps ensure that any refinancing produces measurable economic benefit. However, on the second sentence here, uh um John, it says the immediately preceding sentence shall not apply to refunding bonds issued in order to restructure debt service. This language warrants additional scrutiny. Please uh can you tell me again why this exception is being included? Yeah, just get come closer to the mic.

JOHN KIM OUR CFO GUAM POWER AUTHORITY: Yes, this is uh uh we added this uh for potential refunding in the near futures. We have 2017 bond um that can be refunded next year. Um right now it's um the rate is not great so it won't be um it's not feasible right now but we will just in case um if it's possible, um if it can be refunded next year we like to use that option.

SENATOR JESSE A. LUJAN:

Is this language uh does it appear in

prior GPA bonds as well?

JOHN KIM OUR CFO GUAM POWER AUTHORITY:

Uh yes does

have prior bonds. We have 2017 bond. Uh we also have uh 22 bonds and 2024 bonds. So that uh language would be applicable for those outstanding bonds.

SENATOR JESSE A. LUJAN:

Okay. And under what circumstances

uh does GPA anticipate using a restructuring without the 2% savings test?

JOHN KIM OUR CFO GUAM POWER AUTHORITY:

No,

everything has to be uh have at least a minimum 2% savings before we could do refunding.

CHRISTINA GARCIA, CEO, GEDA:

Uh Senator, um Tina Garcia, I can probably add a little color to this. Um when you talk about outstanding bonds and you apply the 2% debt service savings, uh the bonds, they have a uh different maturities over the next 20 to 30 years. If one maturity doesn't meet that 2% then we cannot um under the current law or refunding we cannot refund that debt service. And so basically you have an outstanding bond for like 2 million. What we want to do is if we were able to um for the majority, refund the entire bond and get that 2% uh overall saving, um that will help uh better manage our debt in essence. Um and so it's just right now the way we applied is 2% on every uh bond maturity So you have bonds maturity in in 2014 I mean I'm sorry 2026 27 28 and so on. And so it allows us to clear that debt and refund it with an overall savings of 2%. Um but um and so it's just a matter of um um better cash management uh administration for GPA or for the agency to be able to apply the 2% to the overall um savings.

SENATOR JESSE A. LUJAN:

Yeah. And I I think you answered my

next question, but I just want to make sure uh that whether restructuring could result in extended maturities or increase total debt service costs over time. So I think you just explained that.

CHRISTINA GARCIA, CEO, GEDA: Yeah, we would we would not um this does not allow us to extend maturities.

SENATOR JESSE A. LUJAN: Okay. Okay. Uh what safeguards exist to ensure that any restructuring again primarily benefits the ratepayers rather than merely deferring physical fiscal obligations?

JOHN BENAVENTE, GENERAL MANAGER, GPA: I think whatever we do Senator really is uh again to avoid changing the race but also in providing all that CIP that's necessary. I think in the past what we've done is also restructured debt. No. So that we can reduce our annual debt service in 13 years and average it out over a longer term because uh the investments that we're putting in are sometimes the 40, 50 year 50 year life versus the uh bonding no 2025. And so therefore uh what we're doing with that is we're, we're making uh the ratepayers that use the assets at some future point in time be the ones paying for it instead of all the people today. So all of this I don't have all the financial uh lingo, if you will on how they do this but that's how we've been doing over time so that we can again reduce our debt service payment or any payment here by stretching it out because the asset is going to be utilized by uh uh utilized by the future ratepayers. down the road

SENATOR JESSE A. LUJAN: Well, I think again we can all uh agree to this point that um it's important that uh we ensure that any savings of course or debt service relief realize uh through uh refunding is returned to the tax uh the ratepayer uh and not absorbed without a you know clear measurable public benefit. So you know stretched out. So thank you with that. My my uh my last uh question here is can can you identify again the specific environmental regulations or consent uh orders or federal compliance obligations reference in section 1D and section 2C including uh you know deadlines uh and penalties for non-compliance and associated uh project costs. So it's on section 1D and section 2C.

JOHN BENAVENTE, GENERAL MANAGER, GPA: Oh yes in this case uh Chairman, we always have to go anything over a million and a half we have to go to the CCU first and then the PUC the threshold the PUC protocol is 1.5 million. Anything above that has to come to them and that's why this uh reg we

have regular meetings subject to the petition of the PUC. So again uh this even the CIPs that we have before you uh before I can get it done I have to bring it to the CCU and then the PUC uh the even the CIP programs are going to be vetted and approved by uh this team no unless it's below a million and a half. But most of these projects actually are are big projects. So I think that's what it means that everything really uh what I see is uh uh anything that could increase rate and charges prior to the written approval of the PUC. So not entered to any of those agreements. I can't I don't have the authority to

SENATOR JESSE A. LUJAN: Okay. Just just one one last uh question as well in regards to um and not regarding this this bond but just the uh um latest issues on the uh on our uh power situation here. Um is is any of that attributed to maybe the potential potential uh data systems going online?

JOHN BENAVENTE, GENERAL MANAGER, GPA: I'm sorry I I didn't quite hear you.

SENATOR JESSE A. LUJAN: Okay. Does any of the uh power challenges that we're incurring? Yeah. Does that have anything to do with any of the uh the data center going online?

JOHN BENAVENTE, GENERAL MANAGER, GPA: Uh no. Uh Mr. Chairman and and Senator Lujan, I am looking forward to bringing in data centers. uh is quite the opposite from here and in the US. The data centers in the US are multi- I mean population wise big uh data centers. No, what do we have as an industry in Guam? Military, tourism, what what else data centers because of our location can help. Uh I I made a presentation to the uh to the CCU just uh this week. I'm sorry. And I'm showing that the issue that we're having today is really short short term. *Ukudu* is going to get that machine going because that's their bread and butter. That's what you know we can we won't be paying them. No. So once they get the machine rolling, which could be this weekend, then again, we're back to where we were before. But we already contracted for renewables. We contracted for about uh we're going to have by uh 2029, 357 megawatt of renewables. Uh on the Cross Island road, you see that big project? That's 132 megawatt is going to come on by the end of this coming year. All of that there's going to be about 143 megawatts of

batteries. So that at capacity because we're going to catch the renewables in the daytime and shake the peak because the peak on the island is always in the evening. So that would help. No. And then we're out on bid now for a 90 megawatt centralized energy storage so we can catch again the renewables in the daytime because again we do have like 40 megawatts of uh of rooftop that that still goes into the system in the daytime. Then in the evening they come and you know come and take energy. So these batteries now will start to equalize that in that will start to save uh money. So what are we going to have by 2029? We're going to have about 666 megawatt of capacity compared to the 300 that we have today. This is all contracted and the one that except for the 90 megawatt coming out a bit. So and the the military growth just the regular growth is going to bring revenues to Guam Power Authority. The capacity is going to be there and again uh but we did what we're trying to do now is begin to transfer our our revenues to uh to the grid. We have to make the grid uh much stronger. Don't get me wrong, the the concrete pole system that we have today is strong, but as we know, as time goes by, we need to make the system stronger. We can't go from we went from a 3 months um uh outage after a major typhoon to 50 days, but 50 days is still too long. No? So, this is our goal now is how do we continue to bring that down? Smaller storms of course Bavi, Sinlaku we were back in about one week. But another Mawar, we have to bring that 50 days lower. So this is where all the investments really are going to concentrate on. How do we make the island stronger. Just like we did back in the late 80s and early 90s when we made the policy was set that we shall change from wooden to concrete pole. Now the island is about 98, 99% concrete pole. So now we starting converting to underground system. So money from the federal government, money from this 300 million will now start to get us going here. Mr. Chair. So but as far as capacity, we have a lot of capacity.

SENATOR JESSE A. LUJAN:

John, we've been in communication in constant communication in regards to the power situation as well. Um, but there was an issue made uh in regards to your request actually to a federal agency in regards to a proclamation of an emergency situation. Can you clarify that uh to uh the public as to why it was done and uh and the circumstances that that uh prompted you to to request that.

JOHN BENAVENTE, GENERAL MANAGER, GPA: The uh Ukudu power plant has got what they call a minor source permitting. No, you can only emit like 100 tons per year of NOx. The combustion turbines there on a regular basis on the day will emit about 1.9 uh tons of NOx. That's if it's not going to the boiler and to the steam turbine. No? When it does go to the boiler in the steam turbine, it's 0.05 per day because it goes through a it goes through an environmental um um control system. So Ukudu was going to be on the line for about two weeks. So we figure we're have enough to to make it through. But when it started extending to one month or two months, we could get it done, but then we're not EPA could shut us down for the rest of the year. Can you imagine what that means? We can't even operate Okudu for the rest of the year? So therefore, that's why we've been working with Guam EPA all throughout this period of time. And then we also saw that there's that potential where the secretary of energy could declare, based on the utility, the emergency so that it'll allow us to do what we need to do despite the emissions. So or so and so still making our best effort but beside the emission for this period it won't really be counted towards the rest of the period once we get done. So that's what we did. We imple we utilized that uh then because if not I think it was the late July I was looking at shutting down having to be Ukudu needing to be shut down. Remember the Ukudu is under uh it's under KEPCO not under GPA anymore but it's GPA that that also has to make sure that we get all these environmental issues in front. So that's why we were very fortunate to see that and then we went and and I had to thank the secretary of energy within two days he signed understanding the importance of the island of Guam and and who we serve. Now the question may be how come we didn't get a what they call a PSD which means that you can run the all the turbines at any time at any point. It don't matter for the amount of emission. It takes three more years to do that. So if we didn't if they didn't go for the minor source, we're now looking at still 2029 before we have an Ukudu power plant. Imagine Ukudu without Ukudu with the high cost of fuel the rates would have jumped up uh substantially. So uh it's the problem that we have today is fixable. We'll get through that. We are working with Guam EPA. We'll be look working with the federal EPA and see how we can set up an agree uh an amendment to the current permit that if the steam turbine goes down, it still allows us to run all the other three combustion turbine. So this last weekend the uh steam turbine uh the emission control was shifted from the .05 to now the 1.9 per day emission so that they can cool down the turbine which takes

three days to cool down, so that they can fix it because the parts arrived on Monday and they started work actually uh yesterday on on this. So now we're running the three combustion turbine. So now instead of going 198 to 90, they're pulling pushing out 135. So now the island has instead of 274, as I noted uh last week, we now have 300 megawatts. So unless a major unit goes down uh we should uh we should uh uh move through without load shedding. No. So that's where we are to uh today. Uh the, it doesn't take, I'm happy that there is that provision in the what you call it in the federal law to allow for the quit. We didn't know that before, but I mean they understand how important it is. We're trying our best. No one anticipated that this steam turbine will react like that. Although it was always there that potentially that could happen, but here we are today and after we go through here, we will work to reset everything so we don't have to go back to that again.

SENATOR JESSE A. LUJAN: John, one last question. um the the current plant of course um is is privately run right um if they're if they are not producing the maximum power that Guam needs that you know to run this power uh I know it's been said that of course if they if they're not in operation they're not they're not paid but uh but if they're not producing the the amount of power that is needed um you know by whatever percentage do you decrease that payment then based on them not running the the full capacity that there's they're contracted to to do?

JOHN BENAVENTE, GENERAL MANAGER, GPA: That's that's correct after the first year because the industry and again, even us put this package together, the industry recognizes that in the first year of any new power plant you're going to have some glitches but then after the second on the second year those glitches have taken care of because that's when the penalties really come in in terms of payment for capacity uh payment for uh loss of additional fuel cost those kind of stuff. So that's in our contract and so this first year uh is as you may have heard me say it's not unusual for these things to. A new power plant is not like a new car that came out from the factory. That thing has been tested and tested and so and so. So everyone now comes out. Here, you're talking about hundreds of machineries being put together, designed together to put out this megawatt and anything that goes wrong most especially uh could impact you. No. So it takes uh

it's not unusual to have this glitches and challenge although I wish it was something else. But the steam turbine uh is one of the most reliable machines part of the whole power plant. More reliable than the combustion turbines. However, uh you know, it has some glitches. It had it when it was done under construction and then and they were down to repair it, making sure it happens. And my understanding is that they'll get it done this time. So I think uh hopefully uh by this weekend the steam turbine will come on and then I'll happily announce after I revealed it that you know okay we're back we're back to a safe condition.

SENATOR JESSE A. LUJAN: Okay. Um thank you John. Thank you Mr. Chair.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: Thank you Senator. And we also thank uh Senator Francis Santos, the chair uh for being with us today and joining us to be part of this hearing. Senator Gumataotao, are you recognized?

SENATOR EULOGIO “SHAWN” GUMATAOTAO: Yeah, thank you, Mr. Chair. And I got to say that for the record, I think I get smarter every time I come into this building and get to hear from different panels and uh a stark difference from the hearing earlier. And actually, in all hearings, I just learned something new. So, thank you uh for being here. I'm going to just jump right in. The bill as drafted authorizes bond proceeds to be used for costs associated with certain energy storage. Are we talking about actual batteries that are or will be maintained by GPA or is the authority covering the cost of renewable energy storage systems as part of one or more of your PPAs with the private sector? And I think you mentioned it was somewhere in in the range of 300 and over 300 megawatts.

JOHN BENAVENTE, GENERAL MANAGER, GPA: The uh energy storage that we're looking at, we're actually going out for bid for 90 today. The total requirement we see for the system is 180. So the 90 today that is uh uh out is really an IPP scenario. Correct me if I'm wrong, but the IPP will operate and maintain it and own it actually for the next uh uh 25 years. This uh additional bonding is will be the second one and again if we don't get money from the federal

because I'm also asking them to fund that same one then we'll have to fund it. But otherwise it'll go to the back of uh back of the line. Again what it does is uh it's a big duct curve when all this generate when all this um renewables because you only produce it in the daytime, right? So, we have to catch that and take it to the evening.

SENATOR EULOGIO “SHAWN” GUMATAOTAO: No. Got it. And why I asked that is um the governor is considering Bill 225 uh which will change our little bit of our QC program with all these battery storages coming online, maybe there the consideration for training our firefighters how to put out a battery fire with over 300 megawatts might be absolutely a critical uh component. And I know we're talking about other gear, but uh I think fire uh suppression training for the batteries would be great. And I know that the QC's are somewhere down the road. And I think Tina, you guys will work on that, too. Um if I can, I only have a couple more questions. Can you tell us today how the um PPAs, which are anticipated to launch in 2028, will impact GPA's base rate of 10.2 cents per kilowatt hour. Moving forward,

JOHN BENAVENTE, GENERAL MANAGER, GPA: The power purchase agreement are going to be impacting the LEAC. The power purchase agreement of those uh uh are coming in around 17.9 cents. No, they're a little more cost a little more than the Ukudu do. however they're your hedge in the future. No. So that if oil goes to \$140 a barrel, this 17.9 cents keeps the rates down, make it affordable. So that's the com that's the thing because you're paying for a battery which is about 6 cents a kilowatt hour. So when you take that from the 18 now you're down to 12. Now you're the cost of energy is right around the same as Okudu but you're paying for that uh battery for additional capacity one and secondly ask your heads uh in the future because again uh people thought even myself oh we're not going to go over \$200 a barrel. Case some point we bought \$222 a barrel just recently right people uh industry is talking about \$300 a barrel now. So the renewables that we have today coupled with Ukudu is going to reduce our total uh consumption of fuel oil by 2029 from the 3 million in 2024 to 1.2 million. Only one third of the oil we consume is what we're going to consume by 2029 because of Ukudu and the renewables that we're putting in. That means oil prices going is only going to impact us one third of what it is today.

SENATOR EULOGIO “SHAWN” GUMATAOTAO: And when you mentioned the oil prices going up, I think my wallet shivered a bit when you mentioned it, but let me I think yours probably did too, but at least I got a little bit of grace. Um can I ask both GEDA and GPA is there a time limit within which GPA or GEDA must issue bonds under this acts approval or does the authorization remain available indefinitely once it's enacted?

JOHN BENAVENTE, GENERAL MANAGER, GPA: Well, as I noted earlier, we need to issue 300 million in bond. We have identified in this bond issuance about 300 million. I noted earlier that we have a 1.5 billion that we're requesting from the military. So that already is 1.8 billion. So therefore the only question is, when do we issue and and really borrow the 300 million, is when the revenue start coming in from this from this uh uh growth we do need to issue the 300 million. So yeah it's going to be a debt. I think within of course nothing not everything going to get constructed in one day no or one year or two years so I think you're looking at this as a maybe close to a 10 year program.

CHRISTINA GARCIA, CEO, GEDA: And that is correct um the only time stamp here is that once a bond is issued the maturity of that bond cannot exceed 35 years. But um again, one of the rules in the bond market is when you borrow money, you got to expend those funds um or at least commit those funds 80% of those funds within the first two years. So you don't want to borrow money that you can't meet those bond requirements otherwise you start triggering some concerns about your CIP plan. So, we will definitely work closely with uh GPA on executing the bond series.

SENATOR EULOGIO “SHAWN” GUMATAOTAO: And I know GPA doesn't have any problems spending money that their procurement is pretty uh top-notch. So, I'm not uh there's no doubt in spending that kind of cash.

JOHN BENAVENTE, GENERAL MANAGER, GPA: Um I'm sorry if I one quick comment.

SENATOR EULOGIO “SHAWN” GUMATAOTAO: Go ahead John, while you're at it.

JOHN BENAVENTE, GENERAL MANAGER, GPA: Thank you very much for that comment. However, we need help on this protest and all of this and that's a different subject. Okay. But uh oh my god, it's a task and a half to procure. But we do I have to say our team does very well getting through. But uh it's not without not without a lot of blood, sweat, and tears on things that really uh could be more useful in other things, but also costing the government a lot of money. No.

SENATOR EULOGIO “SHAWN” GUMATAOTAO: Okay. I'm not going to take back the comment, but I will say that whatever we can do to help with the procurement at the Guam Power Authority, obviously, we would do that. I only have one more question, Mr. Chair is if you can uh I don't know uh anyone on the panel, but can you please explain the basis for resolution number FY2026-02 the \$300,000 figure and whether the CCU has since authorized or been asked to authorize the additional \$75 million that's reflected in the bill as introduced

JOHN BENAVENTE, GENERAL MANAGER, GPA: Uh that's a good point and we will go back to the CCU and PUC to get approved. But again if 300 million is all you think you authorize but I mean uh it's something that I'm sure that we can get adjusted but really uh we don't want to keep coming back to the legislature if at all possible. So 300, 375, but either one will work with us, but 375 is what we're asking.

SENATOR EULOGIO “SHAWN” GUMATAOTAO: I mean, while we're at it, you know, and and I and I'm here to support, so that's why I'm asking and I'm hoping that uh you can get back to the committee any anything uh to to help at least answer. And Mr. Chair, that's all I have. And thank you again uh John and your team and Tina, thanks for uh and hopefully in advance. So we'll see if the governor signs the bill in the next couple days. But uh with all these batteries coming online uh as part of a larger project to to you know stabilize our energy uh needs and the like that might be helpful. So thank you again Mr. Chair for the time and thanks everyone being with us today.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: You're welcome Senator Gumataotao. Senator Lujan, would you like to close on the bill?

SENATOR JESSE A. LUJAN: Thank you Mr. Chair. Mr. Chair, thank you very much. I think the bill that was sent down of course uh uh by GPA to be introduced by the committee is pretty straightforward. I just needed a couple clarification, clarifications on a couple sections and they clarified that but it's pretty straightforward and with that I want to thank of course uh uh the uh Mr. Benavente and his team for being here and also GEDA of course recognizing uh Senator Santos for being here the Chairman of of CCU but thank you uh again for being here this morning. Thank you.

SENATOR CHRISTOPHER M. DUEÑAS, CHAIRMAN: Thank you uh Senator Lujan. So, uh, JB and your team and Tina and everyone who showed up today, uh, we thank you for being here. And so, uh, this will conclude today's public hearing on Bill numbers 342 and 345-38 (LS). The committee will continue to accept written testimony on the bills within seven calendar days from today, which may be addressed to Senator Christopher M. Dueñas as Chairman of the Committee and mail to 163 West Chalan Santo Papa *Hagåtña* Guam 96910. You may also email your testimonies to senator.duenas@guamlegislature.gov. This public hearing is now adjourned and the time is 11:23. *Si Yu'os Ma'åse'* and God bless you. Have a nice day.

We are adjourned.

[COMMITTEE ADJOURNED]

III. FINDINGS & RECOMMENDATIONS:

The Committee *finds* that the intent of Bill No. 345-38 is to provide GPA with the financing authority necessary to undertake critical capital improvement projects throughout the islandwide power system, including investments in generation, energy storage, transmission, distribution, system hardening, fire protection, facilities, security, and other infrastructure necessary to improve the reliability, resiliency, and long-term sustainability of Guam's electrical system.

The Committee *recognizes* that the authorization of up to Three Hundred Seventy-Five Million Dollars (\$375,000,000) in revenue bonds is intended to provide GPA with financing capacity for a multi-year capital improvement program and is not intended to require the Authority to issue the full authorized amount at one time. Rather, bond issuances should be undertaken in stages according to demonstrated capital needs, available revenues, market conditions and GPA's ability to expend or commit bond proceeds in a fiscally responsible manner, with the objective of minimizing unnecessary borrowing costs and avoiding undue impacts on ratepayers.

The Committee *further finds* that any refinancing or restructuring of existing GPA revenue bonds should be undertaken for the purpose of producing a measurable economic benefit, improving debt management or reducing debt-service pressures, while maintaining appropriate protections for ratepayers. The Committee *further recognizes* the testimony that refinancing is intended to achieve at least a two percent (2%) overall savings where applicable and that the legislation is not intended to authorize an extension of existing bond maturities merely to defer financial obligations.

Based on the discussion, the Committee on Finance and Government Operations recommends that **Bill No. 345-38 (LS)** - Committee on Transportation, Tourism, Customs, Utilities, and Federal and Foreign Affairs - An Act Relative To Approving The Terms And Conditions Of The Issuance By Guam Power Authority Of Revenue Bonds To Finance Capital Improvements To The Island-Wide Power System Including Certain Energy Storage, Generation, Transmission And Distribution Projects, And To Approve The Terms And Conditions Of Guam Power Authority Revenue Bonds To Refinance Guam Power Authority Revenue Bonds, be reported out with the recommendation To Report Out Only.

I MINA'TRENTAI OCHO NA LIHESLATURAN GUÅHAN
2026 (SECOND) Regular Session

Bill No. 345-38 (LS)

Introduced by:

Committee on Transportation,
Tourism, Customs, Utilities,
and Federal and Foreign Affairs 

**AN ACT RELATIVE TO APPROVING THE TERMS AND
CONDITIONS OF THE ISSUANCE BY GUAM POWER
AUTHORITY OF REVENUE BONDS TO FINANCE
CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE
POWER SYSTEM INCLUDING CERTAIN ENERGY
STORAGE, GENERATION, TRANSMISSION AND
DISTRIBUTION PROJECTS, AND TO APPROVE THE
TERMS AND CONDITIONS OF GUAM POWER
AUTHORITY REVENUE BONDS TO REFINANCE
GUAM POWER AUTHORITY REVENUE BONDS.**

BE IT ENACTED BY THE PEOPLE OF GUAM:

Section 1. Legislative Findings.

(a) Section 8203 of Title 12 of the Guam Code Annotated provides that Guam Power Authority (“GPA”) is authorized to incur indebtedness by the issuance of revenue bonds with the approval of the Governor to raise funds for the purpose of establishing the electric power system of GPA, or of acquiring lands for the system, or of acquiring, constructing, improving, equipping, maintaining, repairing, renewing, replacing, reconstructing or insuring the system, or any part thereof, or for the purpose of refunding any such bonds, or for any combination of such purposes.

1 (b) Section 12105(e)(1) of Title 12 of the Guam Code Annotated
2 provides that GPA shall not enter into any contractual agreements or
3 obligations (including bonds) which could increase rates and charges prior to
4 the written approval of the Guam Public Utilities Commission (the “GPUC”).

5 (c) Section 50103 of Title 12 of the Guam Code Annotated provides
6 that agencies and instrumentalities of the government of Guam, including
7 GPA, shall issue bonds and other obligations only by means of, and through
8 the agency of the Guam Economic Development Authority (“GEDA”), and
9 that GEDA shall not sell any bond without the approval by *I Liheslaturan*
10 *Guahån* of the terms and conditions of the issuance of the bonds.

11 (d) GPA needs to finance certain capital improvement projects,
12 including energy storage, generation, transmission and distribution projects
13 for the purpose of improving system reliability, efficiency, stability and
14 performance, and complying with environmental regulations.

15 (e) In addition, GPA expects that opportunities will arise from time
16 to time to refund all or a portion of its then outstanding revenue bonds for debt
17 service savings, or in order to restructure debt service, which is expected to
18 result in potential savings to ratepayers.

19 (f) *I Liheslaturan Guahån* has determined to approve the issuance
20 of revenue bonds by GPA for the purposes described below, all subject to
21 approval by *I Maga 'hågan/Maga 'låhen Guahån*, the GPUC, the Consolidated
22 Commission on Utilities (the “CCU”) and the Board of Directors of GEDA in
23 accordance with law.

24 **Section 2. Approval of the Terms and Conditions of the Issuance by**
25 **GPA of Revenue Bonds to Finance Certain Energy Storage, Generation,**
26 **Transmission and Distribution Projects and Other Capital Improvements.**

1 (a) *I Liheslaturan Guåhan*, pursuant to Section 50103(k) of Title 12
2 of the Guam Code Annotated, hereby approves the terms and conditions of
3 the issuance by GPA of revenue bonds in a principal amount not to exceed
4 three hundred seventy-five million dollars (\$375,000,000) in one or more
5 series or issues for the purpose of financing the projects and paying the other
6 costs listed in subsection (c) of this section, *provided*, that such bonds have a
7 final maturity not later than 35 years from their date of issuance, bear interest
8 at such rate or rates not in excess of 7.5% per annum and are sold for such
9 price or prices as shall result in a net interest cost to GPA not exceeding the
10 limitation provided by Section 8214 of Chapter 8 of Title 12 of the Guam
11 Code Annotated, as amended, and are issued and sold pursuant to GPA's
12 existing bond indenture and otherwise in compliance with the provisions of
13 Chapter 8 of Title 12 of the Guam Code Annotated, including approval by the
14 CCU and by *I Maga 'hågan/Maga 'låhen Guahån* as provided therein.

15 (b) The sale of the bonds shall be approved by the Board of Directors
16 of GEDA as provided by Chapter 50 of Title 12 of the Guam Code Annotated
17 and the terms and conditions of the issuance of the bonds shall be approved
18 by the GPUC as provided by Chapter 12 of Title 12 of the Guam Code
19 Annotated.

20 (c) The proceeds of the bonds may be applied to pay for the costs of
21 issuance of the bonds, for accrued and capitalized interest thereon, for credit
22 enhancement therefor, to provide for reserves and to pay (or reimburse GPA)
23 for the costs of certain energy storage, generation, transmission and
24 distribution projects, including but not limited to environmental compliance
25 projects, generation improvements, underground fuel pipeline conversion, fire
26 protection upgrades at GPA facilities, power substation/transmission
27 upgrades and improvements, system protection relay improvements, and

1 power distribution system improvements, subject in each case to approval by
2 the GPUC of such projects in accordance with Chapter 12 of Title 12 of the
3 Guam Code Annotated.

4 **Section 3. Approval of the Terms and Conditions of Guam Power**
5 **Authority Refunding Bonds.** *I Liheslaturan Guahån*, pursuant to Section 50103(k)
6 of Title 12 of the Guam Code Annotated, hereby approves the terms and conditions
7 of the issuance, sale or exchange of revenue bonds by GPA from time to time,
8 including, but not limited to, on a forward basis, for the purpose of refunding all or
9 a portion of its outstanding revenue bonds, in accordance with the following
10 requirements, limitations, terms and conditions:

11 (a) The aggregate principal amount of the refunding bonds shall not
12 exceed the sum of (1) the amount determined in accordance with Section 8229
13 of Title 12 of the Guam Code Annotated, plus (2) any additional amount
14 needed to provide for a deposit to the debt service reserve in connection with
15 the issuance of the refunding bonds.

16 (b) All obligations of GPA to pay debt service on, and the
17 redemption price of, the prior bonds shall be discharged concurrently with the
18 issuance of the refunding bonds. Thereafter, the prior bonds shall be payable
19 solely from and secured solely by an escrow established for such purpose in
20 accordance with GPA's existing bond indenture.

21 (c) The final maturity of the refunding bonds shall not exceed the
22 final maturity of the latest maturing then outstanding revenue bonds. For
23 clarity, the final maturity of the refunding bonds may exceed the maturity of
24 an individual series of prior bonds so long as the final maturity of all then
25 outstanding revenue bonds is not exceeded.

26 (d) Such bonds shall be issued and sold pursuant to GPA's existing
27 bond indenture and in compliance with the provisions of Chapter 8, Title 12,

1 Guam Code Annotated, including approval by the CCU and by *I Maga*
2 *'hågan/Maga'låhen Guahån* as provided therein.

3 (e) The sale of the bonds shall be approved by the Board of Directors
4 of GEDA as provided in Chapter 50 of Title 12, Guam Code Annotated; and,
5 the terms and conditions of the issuance of the bonds shall be approved by the
6 GPUC as provided in Chapter 12, Title 12, Guam Code Annotated.

7 (f) The present value of debt service on the refunding bonds shall be
8 at least two percent (2%) less than the present value of debt service on the
9 prior bonds, using the yield on the refunding bonds as the discount rate. The
10 immediately preceding sentence shall not apply to refunding bonds issued in
11 order to restructure debt service.

12 **Section 4. Local Sales of Bonds.** In accordance with Section 50103.1(g) of
13 Title 12 of the Guam Code Annotated, GEDA shall undertake its best efforts to cause
14 a portion of any bonds issued pursuant to the approval in Section 2 and Section 3 of
15 this Act to be offered for sale to residents of Guam, as well as to residents of other
16 jurisdictions, if and to the extent that such offer and any sales resulting from such
17 offer do not increase the costs to GPA of issuing and repaying such bonds.
18 Notwithstanding any other provision of law to the contrary, these bonds may be sold
19 to employees of GPA.

20 **Section 5. Severability.** If any provision of this law or its application to any
21 person or circumstance is found to be invalid or contrary to law, such invalidity shall
22 *not* affect other provisions or applications of this law which can be given effect
23 without the invalid provisions or application, and to this end the provisions of this
24 law are severable.



COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson

I Mina'trentai Ocho Na Liheslaturan Guåhan

38th Guam Legislature

August 21, 2026

To: **Rennae V. C. Meno**
Clerk of the Legislature

From: **Vice Speaker V. Anthony Ada** 
Chairperson, Committee on Rules

Subject: **Fiscal Note for Bill No. 345-38 (LS)**

Håfa Adai!

Find the attached, Fiscal Note for the following bill:

Bill No. 345-38 (LS).

I also request that the same be sent to the respective Chairperson of the Standing Committee, to which this bill has been referred. Kindly copy the same to Management Information Services (MIS) for posting on our website.



Bureau of Budget & Management Research
Fiscal Note of Bill No. 345-38 (LS)

AN ACT RELATIVE TO APPROVING THE TERMS AND CONDITIONS OF THE ISSUANCE BY GUAM POWER AUTHORITY OF REVENUE BONDS TO FINANCE CAPITAL IMPROVEMENTS TO THE ISLAND-WIDE POWER SYSTEM INCLUDING CERTAIN ENERGY STORAGE, GENERATION, TRANSMISSION AND DISTRIBUTION PROJECTS, AND TO APPROVE THE TERMS AND CONDITIONS OF GUAM POWER AUTHORITY REVENUE BONDS TO REFINANCE GUAM POWER AUTHORITY REVENUE BONDS.

Department/Agency Appropriation Information

Dept./Agency Affected: Guam Economic Development Authority	Dept./Agency Head: Christina D. Garcia, Chief Executive Officer/Administrator
Department's anticipated revenues to date:	\$4,404,743
Department's appropriation(s) to date:	\$0
Total Department/Agency revenues to date:	\$4,404,743

Fund Source Information of Proposed Appropriation

	General Fund:	(Specify Special Fund):	Total:
FY 2025 Unreserved Fund Balance		\$0	\$0
FY 2026 Adopted Revenues	\$0	\$0	\$0
FY 2026 Appro. (P.L. 38-60)	\$0	\$0	\$0
Sub-total:	\$0	\$0	\$0
Less appropriation in Bill	\$0	\$0	\$0
Total:	\$0	\$0	\$0

Estimated Fiscal Impact of Bill

	One Full Fiscal Year	For Remainder of FY 2026 (if applicable)	FY 2027	FY 2028	FY 2029	FY 2030
General Fund 1/	\$0	\$0	\$0	\$0	\$0	\$0
Special Fund 1/	\$0	\$0	\$0	\$0	\$0	\$0
Total 1/	\$0	\$0	\$0	\$0	\$0	\$0

- Does the bill contain "revenue generating" provisions? / / Yes /X/ No
 If Yes, see attachment
- Is amount appropriated adequate to fund the intent of the appropriation? /X/ N/A / / Yes / / No
 If no, what is the additional amount required? \$ _____ /X/ N/A
- Does the Bill establish a new program/agency? / / Yes /X/ No
 If yes, will the program duplicate existing programs/agencies? /X/ N/A / / Yes / / No
 Is there a federal mandate to establish the program/agency? / / Yes /X/ No
- Will the enactment of this Bill require new physical facilities? / / Yes /X/ No
- Was Fiscal Note coordinated with the affected dept./agency? If no, indicate reason: /X/ Yes / / No
 / / Requested agency comments not received by due date / / Other:

Analyst: Joaquin A.J. Guerrero II **Date:** 8/20/26 **Director:** Lester L. Carlson, Jr. **Date:** AUG 21 2026

Notes:

1/ See attached comments.

Bureau of Budget and Management Research
Comments on Bill No. 345-38 (LS)

The proposed legislation intends to authorize the approval of the terms and conditions of the issuance and refinancing by the Guam Power Authority (GPA) of revenue bonds to finance certain energy storage, generation, transmission, and distribution projects and other capital improvements to improve the reliability, efficiency, stability, and performance of the island-wide power system and comply with environmental regulations.

Per comments provided by the Guam Economic Development Authority (GEDA), the GPA estimated cost is set at Three Hundred Seventy-Five Million Dollars (\$375,000,000.00), which will be funded through one or more municipal bond series. In discussions with GPA, the GPA will seek a first issuance of approximately Sixty Million Dollars (\$60,000,000.00), which will mitigate any sharp impact to ratepayers. Under today's market, GEDA estimates this initial annual debt service approximately Five Million Dollars (\$5,000,000.00) at an All in True Interest Cost (TIC) of 5.11%. The GPA also desires to take advantage of refunding any current bonds at the standard minimum net percent value of 2%. With this flexibility, it provides GPA another tool to continue to manage its cash flow and provide less pressure to raise the power rates for Guam ratepayers. GEDA further confirms that the terms presented in the bill reflect the standard terms provided in all Government of Guam bond financing statutes. Both GEDA and GPA state that the proposed legislation will not have any direct impact on the current Government of Guam financial position, but has the potential to see savings on future GPA billings.