

AN ACT

To amend RPPL 11-37, Section 22, to provide for the continuance of an energy subsidy to the customers of the Palau Public Utilities Corporation, and for other related purposes.

THE PEOPLE OF PALAU REPRESENTED IN THE OLBIL ERA KELULAU DO ENACT AS FOLLOWS:

Section 1. Legislative findings. Because of issues relating to recent administrative decisions, PPUC has ceased applying the energy subsidy made available for residential customers through RPPL 11-37. The Olbil Era Kelulau finds that because of the overriding need to support the residential electricity customers of PPUC, RPPL 11-37 should be amended to permit subsidy through the administrative dispute, without endorsing any changes to PPUC billing. Additionally, the Olbil Era Kelulau finds that the laws governing PPUC billing should be amended to promote transparency for PPUC consumers.

Section 2. Amendment. Section 22 of RPPL 11-37 is hereby amended as follows:
“Section 22. PPUC Residential Energy Subsidy, Water and Wastewater Subsidy, and Lifeline Subsidy Program. The sum of \$2,910,000 is hereby authorized to be appropriated and is hereby appropriated for expenditure or obligation for Fiscal Year 2025 for the purpose of covering the Residential Energy Subsidy, the Water and Wastewater Subsidy, and the Lifeline Subsidy Program of the Palau Public Utilities Corporation (PPUC). The entire amount authorized to be appropriated in this section shall come from local revenues. Any unexpended or unobligated balance of the appropriation of this section shall not lapse at the end of the fiscal year.

(a) Residential Water and Wastewater \$960,000

Of the total amount appropriated in this section, \$960,000 shall be appropriated for the PPUC Residential Water and Wastewater Subsidy to offset the rate for all residential customers, \$0.00672 per gallon of water used and \$0.00931 per gallon of wastewater used, for up to 2500 gallons of water and 2500 gallons of wastewater per customer per month. The PPUC shall reduce each

customer's bill by the amount of the offset applied to such customer and show on each customer's bill the amount of the offset applied to such customer.

(b) Lifeline Subsidy Program	250,000
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Of the total amount appropriated in this section, \$250,000 shall be appropriated for the PPUC Lifeline Subsidy Program in Section 32 of RPPL 11-12.

(c)	Residential Electricity	1,700,000
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To subsidize diesel fuel cost, an offset \$0.10 per kWh of the amount billed for electricity for the first 500 kWh per month provided to each residential customer. The PPUC shall reduce each customer's billed cost per kWh by \$0.10 and show on each customer's bill the amount of the offset applied to such customer.

Section 22 Total **\$2,910,000”**

Section 3. Retroactive Application of Section 22(c) of RPPL 11-37. As soon as practicable, PPUC shall credit each customer by the amount that said customer would have had their bill reduced during the period between September 1, 2024 and the date of this Act, had Section 22(c) of RPPL 11-37, as amended, been enacted and effective on September 1, 2024.

Section 4. Amendment. 37 PNC §412 shall be amended to include the following subsection (m):

“§ 412. Rates; rate making process; restriction of tariff raises by Palau Public Utilities Corporation.

...

(m) All PPUC electricity bills to customers shall clearly delineate subtotals for all billed rates in the amounts attributable to:

(1) The purchase by PPUC of fuel used for power generation;

(2) The purchase by PPUC of solar power actually received by PPUC for distribution to customers;

(3) The purchase by PPUC of power from sources other than diesel generation and solar power.”

Section 5. Amendment. Section 24 of RPPL 11-37 is hereby amended as follows, and the totals from the Title of RPPL 11-37 are amended for consistency with said amendment:

“...

Section 24. Medical Referral Housing. The amount of \$3,675,000 is authorized to be appropriated and is hereby appropriated for expenditure or obligation for Fiscal Year 2025 to the Ministry of Health and Human Services for the purpose of purchasing a new patient services building in Honolulu, Hawaii. Of the amount authorized to be appropriated and appropriated in this Section, \$1,140,000 shall come from the Cyclical Reserve Fund \$1,860,000 shall come from local revenues, and notwithstanding 40 PNC §1308 or any other law, \$675,000 shall come from the Non Communicable Diseases Fund. Expenditures made under this Section shall be exempt from the provisions of Chapter 6 of Title 40 of the Palau National Code. Any revenues derived from the eventual sale or alienation of this building shall be deposited into the Non Communicable Diseases Fund. Any revenues derived from the sale or alienation of the existing medical referral housing in Honolulu, Hawaii, when it is sold, shall be deposited into the Cyclical Reserve Fund, National Treasury General Fund, and Non Communicable Diseases Fund, in the proportion from which funds were drawn from those funds for expenditures under this Section.

...”

Section 6. Amendment. Section 701 of Title 1 of the Palau National Code is hereby amended to state as follows:

“§ 701. Holidays designated.

...

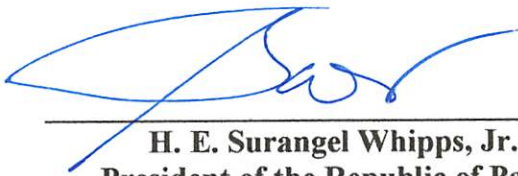
(g) The fourth Thursday of November, Thanksgiving Day;

1 (h) The Friday immediately following Thanksgiving Day, Family Day;
2 ...”

3 Section 7. Effective date. This Act shall take effect upon its approval by the
4 President of the Republic of Palau, or upon its becoming law without such approval.

PASSED: October 31, 2024

Approved this 1st day of November, 2024



H. E. Surangel Whipps, Jr.
President of the Republic of Palau