



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

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The Honorable Harriet M. Hageman
Chair
Subcommittee on Indian and Insular Affairs
Committee on Natural Resources
U.S. House of Representatives
Washington, DC 20515

Dear Chair Hageman:

Enclosed are responses to questions for the record submitted to the Department of the Interior's witness, John Brewer, Director of the Office of Insular Affairs, following his appearance before your Subcommittee on April 11, 2024, at an oversight hearing titled "Energizing the Territories: Promoting Affordable and Reliable Energy Sources for the U.S. Insular Areas." These responses were prepared by the Office of Insular Affairs.

Thank you for the opportunity to respond to you on these matters.

Sincerely,

Pamela L. Barkin
Acting Legislative Counsel
Office of Congressional and
Legislative Affairs

Enclosure

cc: The Honorable Teresa Leger Fernández, Ranking Member
Subcommittee on Indian and Insular Affairs

Questions from Chairman Westerman

- 1. Lead-up: Several of the territories have set aggressive goals for their transition to renewable energy. American Samoa adopted a goal to obtain 50% of its energy from renewable sources by 2025 and 100% by 2040. Guam is also targeting 50% renewable energy by 2035 and 100% by 2040. The CNMI targeted 20% by 2016. The USVI has a goal for 25% by 2020, 30% by 2025, and 50% by 2044.**

Question: Are these goals being met or are on track to being met? If not, why? Please provide us what the current percentage of each territory’s energy use is from solar and wind energy in your response.

Response: To clarify some of the goals outlined in the lead up to Question 1: American Samoa adopted a goal to obtain 50% of its energy from renewable sources by 2025 and 100% by 2040. Guam is also targeting 50% of net electricity sales from renewable energy by 2035 and 100% by 2040. In April 2024, the Commonwealth of the Northern Mariana Islands (CNMI) raised its commitment from 20% of its electricity use to obtaining 100% of its energy from renewable sources by 2045. The U.S. Virgin Islands’ (USVI) goal is for 25% of its peak generating capacity to be provided by renewable energy by 2020, 30% by 2025, and 50% by 2044.

According to the U.S. Energy Information Administration, solar and wind generation currently makes up the following percentages of electricity production in the territories:

- American Samoa: 11%
- CNMI: 11%
- Guam: 17%
- USVI: 3%

In American Samoa, the American Samoa Power Authority (ASPA) has entered a contract with an independent power producer to implement a 20 MW solar photovoltaic (PV) system on Tutuila, and delivery of this equipment is currently underway. ASPA is also pursuing a potential 42 MW wind project on Tutuila; the smaller islands of the Manu’a island group already get most of their power from hybrid renewable energy systems. All of the existing and planned systems include suitably sized battery energy storage systems to manage the intermittent power sources and maintain grid stability.

CNMI’s renewable energy commitment is very recent, yet the territory is already developing strategies for achieving this goal, such as that articulated in the territory’s Priority Climate Action Plan, submitted to EPA in April 2024.¹ Various small-scale renewable projects, especially solar and wind, have been initiated across private homes, public establishments, and schools in the

¹ https://www.epa.gov/system/files/documents/2024-04/cnmi-pcap_0.pdf

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CNMI. Several prominent solar energy initiatives are under development, notably a 3-MW PV facility on Tinian and a 2-MW counterpart on Rota, as initially proposed by the Commonwealth Utilities Corporation (CUC) in 2019. Other larger-scale projects include two solar farms with battery storage across Saipan and Tinian, which are under consideration with funding still being secured. Additionally, CUC established a Renewable Energy Division to ensure 50% of its electricity is sourced from renewables by 2030, and the CUC is currently considering the development of a utility-owned 20 MW solar PV system.

In Guam, while the power grid is increasingly adopting renewable energy to meet its mandates, total energy consumption in Guam has also been increasing. Although power purchase agreements and net metering laws have enabled significant increases in renewable energy adoption in recent years, an additional 400 MW of renewable energy would be needed on the grid just to meet Guam Power Authority’s (GPA) 50% renewable generation target by 2035. GPA recently awarded a contract to install another 41 MW solar PV system and is reviewing bids for over 100 MW more solar PV technology. Guam currently gets 35 MW of power from small distributed solar PV systems and was selected to receive over \$62.4M from EPA’s Solar for All grant program, which aims to add rooftop and/or community solar PV to low- and moderate-income households.

For the USVI, 2022 data from the two PV independent power producers’ plants indicates about 2% to 3% of total Virgin Islands Water and Power Authority (VI WAPA) customer load is provided by these plants (4.2 MW on St. Croix and 5 MW on St. Thomas). The generation from customer-owned PV is difficult to estimate and most is directly consumed. That said, the USVI’s Legislative Act 7075 also includes net-energy-metering provisions and these net-metering limits have been met. Assuming USVI’s 2025 renewable energy target is 30% of peak demand, it would suggest that VI WAPA should have approximately 31.5 MW of renewable energy capacity on their system in 2025. Of that 2025 capacity goal, 24 MW, or 76%, has already been met (9 MW from the above-mentioned independent power producers plus 15 MW of customer distributed energy resources under net-metering). Additional customer distributed energy resources installed under the current net energy billing program is currently unknown, but according to VI WAPA staff, the program is in high demand. Additionally, the utility is currently developing multiple additional utility-scale solar power and wind power projects. If successful, these projects will result in approximately 50% of utility-served customer load being sourced from renewable energy.

2. What is the selection process by which Energizing Insular Communities (EIC) grant program awards are granted?

Response: Once the Office of Insular Affairs (OIA) receives an application for Energizing Insular Communities (EIC) funds, the application is checked for completion and numbered for tracking. From there, the application packages are provided to the OIA desk and field officers for review, comments, and other input. The applications are also provided to a team of reviewers

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from the U.S. Department of Energy’s National Renewable Energy Laboratory (NREL), who are separate and independent from OIA’s NREL contractors who provide technical assistance to OIA and OIA’s grantees through an interagency agreement. This independent NREL team reviews each application and scores them based on how well they address the criteria stated in the application (i.e., goals and objectives, project description/implementation specific to type of project, environmental considerations, roles, responsibilities, resources, and capabilities, and project support). The NREL reviewers also provide comments on strengths and weaknesses in the application.

The list of proposals is ranked by NREL score and presented to OIA leadership and the Assistant Secretary for Insular and International Affairs for consideration, along with recommendations for award and distribution among the four jurisdictions. The Assistant Secretary makes final award decisions.

Questions from Ranking Member Leger Fernández

- 1. Insular Areas need affordable and reliable energy options, and it’s clear that the status quo does not provide that. Island reliance on foreign imports of diesel fuel is expensive and unsustainable, and the climate impacts of continued reliance on fossil fuels will be felt first in vulnerable island communities. A transition to more sustainable renewable energy is critical. How is the Biden Administration, through the EIC grant program and others, helping island communities address this energy transition in ways that work best for each island community, ensuring island self- determination?**

Response: OIA, through the EIC grant program, has provided funding opportunities for projects that are proposed and tied to the territories’ own energy plans (e.g., strategic energy plans, energy action plans, and energy roadmaps). As a result, the funded projects reflect the energy priorities set by the territories, reflecting their self-determination on their own energy futures.

- 2. The EIC program currently provides about \$15 million (as of FY 2024) to help the territories implement their energy plans, however you note in your written testimony that at times DOI receives more than double that amount in applications. How does OIA address that gap and what additional support can the federal government provide to help the territories meet their energy goals?**

Response: To fill gaps between available EIC funds and the amounts requested in EIC applications for funding, OIA coordinates with its Federal partners to identify potential sources of additional available funds or more targeted funding. One example is the Territorial Climate and Infrastructure Workshop that OIA has held over the past two years where territorial stakeholders and the Federal family gathered to discuss infrastructure related topics in the territories. Representatives from the territories’ utilities and energy offices were present and met with members of Interior, the U.S. Departments of Energy, Transportation, and Agriculture, and EPA specifically on the energy needs of the areas, the funding available, and the necessary coordination and planning needed to obtain that funding.

- 3. The Inflation Reduction Act included \$15 million for the Office of Insular Affairs to provide technical assistance to the U.S. Territories for climate change planning, mitigation, adaptation, and resilience. Could you share how OIA has been utilizing this funding, especially for energy projects in the territories?**

Response: OIA has awarded the \$15 million in IRA funding for the territories through grant awards to support priority projects related to climate change planning, mitigation, adaptation, and resilience. The projects awarded do not include energy projects. For further information, please see the following press releases: Biden-Harris Administration Awards \$12 Million through Investing in America Agenda to Combat Climate Change in the U.S. Territories | U.S. Department

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of the Interior (doi.gov)², and Interior Department Announces Nearly \$7 Million through Investing in America Agenda to Advance Climate Resilience, Restore Lands and Waters in U.S. Territories | U.S. Department of the Interior (doi.gov)³.

² <https://www.doi.gov/pressreleases/biden-harris-administration-awards-12-million-through-investing-america-agenda-combat>

³ <https://www.doi.gov/pressreleases/interior-department-announces-nearly-7-million-through-investing-america-agenda>