



**COMMONWEALTH OF PUERTO RICO  
PUERTO RICO ENERGY COMMISSION**

IN RE: PETITION FOR APPROVAL OF  
TRANSITION ORDER FILED BY THE PREPA  
REVITALIZATION CORPORATION

CASE NO.: CEPR-AP-2016-0001

**RESOLUTION AND ORDER**

On April 7, 2016, the Puerto Rico Electric Power Authority Revitalization Corporation (the "Corporation") filed before the Puerto Rico Energy Commission (the "Commission") a petition for a Restructuring Order (the "Petition") pursuant to Article 6.25A of the Energy Transformation and RELIEF Act, Act No. 57-2014 ("Act 57-2014"), as amended. On April 12, 2016, the Commission issued a Resolution and Order whereby it determined that the Petition was complete for purposes of subsection (c) of Article 6.25A since it includes, in some form, each of the documents required by Article 6.25A.

On said occasion the Commission stated that, although it had determined the Petition to be complete, the information contained in the documents may not have sufficient clarity to allow the Commission to make each of the positive findings requested by the Petitioners and required by Section 6.25A of Act 57-2014. Consequently, the Commission noted that it would be issuing a request for clarification so that the Corporation has an opportunity to provide the necessary clarifications.

Article 6.25A(f)(2) of Act 57-2014 provides that the Commission shall, after reviewing the Corporation's Petition, issue a Restructuring Order making the findings and determinations required by the Puerto Rico Electric Power Authority Revitalization Act, Act No. 4-2016 ("Act 4-2016"), or adopt a resolution rejecting the Petition and stating the reasons for that rejection. Accordingly, the Commission has the statutory and moral obligation to ensure that the determinations made by the Corporation on its proposed Restructuring Resolution are true and accurate and are evidenced by the supporting information and documentation provided by the Corporation along with its Petition.

In compliance with this Commission's responsibility to review the Corporation's Petition's according to the parameters established by the Act 4-2016, and pursuant to its ample investigative powers<sup>1</sup>, the Corporation is hereby required and ordered to provide the documents and information identified below. Said documents and information do not constitute new information not contemplated in Article 6.25A of Act 57-2014. The information and documents requested herein are necessary for the Commission to confirm the accuracy of the "findings of fact" and "conclusions of law" contained within the Petition and the statements of the Corporation's witnesses, and to clarify information already provided by the Corporation through its Petition. These steps are necessary for the

<sup>1</sup> See, in general, Article 6.3 of Act 57-2014.

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Commission to find that the materials provided are sufficient to support the requested Restructuring Order.

Accordingly, on or before April 15, 2016 at 4:00 p.m., the Corporation shall provide the work-papers and Excel files, with formulas and cross references intact, for the following exhibits and attachments:

	<b>Exhibit/Attachment</b>
1.	Attachment 2.01 – Estimated Upfront Financing Cost.
2.	Attachment 2.02 – Estimated Ongoing Financing Costs.
3.	Attachment 2.03 – Estimates of Principal and Interest.
4.	Attachment 3.01 – PV Savings Test.
5.	Attachment 3.02 – Estimate of TC change over time and estimated ratio of total TC to total charges to customers by Class.
6.	Attachment 3.03 – Comparison of SPV’s proposed debt service to PREPA’s existing obligations.
7.	Attachment 4.00 – Projections and Stress Test Scenarios.
8.	Attachment 6.00 – Report on Transition Charges, page. 4, Table 2.
9.	Attachment 6.00 – Report on Transition Charges, pages 12-14, Transition Charge Projection.
10.	Attachment 6.00 – Debt Service Schedule.
11.	Corporation Ex. 5.04
12.	Corporation Ex. 6.02

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Article 6.25A of Act 57-2014 and Chapter IV of Act 4-2016 require the Commission to ensure that the Petition and the Corporation have fully complied with all the requirements set forth in Act 4-2016, including but not limited to the requirement that the calculation methodology followed by the Corporation for the Transition Charges, and the Adjustment Mechanism proposed to be applied to adjust the Transition Charges, are consistent with the cost distribution and other standards set forth in Section 6.25A of Law 57-2014 and are not arbitrary or capricious.<sup>2</sup>

In compliance with its duties and responsibilities, the Commission would be unable to approve a Restructuring Order based on inaccurate or unsupported findings of fact and conclusions of law. Inasmuch as the information provided by the Corporation allows the Commission to appropriately evaluate the findings made by the Corporation, the Petition would meet the burden of proof required for the Commission to approve a Restructuring Order pursuant to Article 6.25A of Act 57-2014.

<sup>2</sup> See, Article 6.25A(f)(2) & (4) of Act 57-2014 and Article 35(b)(i) of Act 4-2016.



The requested documents and information must be submitted by electronic mail to the following addresses: [legal@energia.pr.gov](mailto:legal@energia.pr.gov) and [afigueroa@energia.pr.gov](mailto:afigueroa@energia.pr.gov).

For the benefit of all the parties involved, the Commission issues this Resolution and Order in both Spanish and English languages. Should any discrepancy between each version arise, the content and provisions of the Spanish version shall prevail.

Be it notified and published.

Agustín F. Carbó Lugo  
Chairman

Ángel R. Rivera de la Cruz  
Associate Commissioner

José H. Román Morales  
Associate Commissioner

I certify that the Puerto Rico Energy Commission has so agreed on April 13, 2016. I also certify that on this date a copy of this Resolution was notified via email to: [equinones@qalawpr.com](mailto:equinones@qalawpr.com) and [glenn.rippie@r3law.com](mailto:glenn.rippie@r3law.com).

Brenda Liz Mulero Montes  
Interim Clerk



**CERTIFICATION**

I Certify that the foregoing is a true and exact copy of the Resolution and Order issued by the Puerto Rico Energy Commission. I further certify that on April 14, 2016 I have proceeded with the filing of this Order and I have sent a copy thereof to:

**Quiñones & Arbona, PSC**

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For the record, I sign this in San Juan, Puerto Rico, today, April 14, 2016.

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Rafael O. García Santiago  
Clerk of the Puerto Rico  
Telecommunications Regulatory Board