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

Article 6.25A of Act No. 57-2014, as amended, known as the Energy Transformation and RELIEF Act ("Act 57-2014") delegates to the Puerto Rico Energy Commission ("Commission") the responsibility of evaluating the Verified Petition for Restructuring Order ("Petition") filed by the Puerto Rico Electric Power Authority Revitalization Corporation ("Corporation") on April 7, 2016. In essence, the Commission must ensure that the Petition and the Corporation have fully complied with the parameters set forth in Act No. 4-2016, known as the Puerto Rico Electric Power Authority Revitalization Act ("Act 4-2016"), and that the Petition is not arbitrary or capricious.[1] Sub-section (f) of Article 6.25A of Act 57-2014 requires the Commission to ensure that the Petition evaluation process is transparent, agile and flexible and provides room for holding public hearings and ensures the public the opportunity to file written comments.

Pursuant to said statutory mandate, the Commission has elaborated a procedural schedule which protects the right of all the parties involved, promotes transparency and public participation and allows the Commission to comply with its statutory responsibility of evaluating the petition within the term of seventy-five (75) days.[2] Furthermore, through this Resolution and Order, the Commission ensures compliance with the public notice requirement for the public hearings. This Resolution and Order also provides the mechanism for the public to file their written comments before the Commission.

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I. Procedural Schedule

(a) Intervenor Pre-Filed Testimony[3] – The persons or entities authorized through resolution to participate in the current proceeding as intervenors shall file, on or before **May 9, 2016 at 4:30 p.m.**, their pre-filed testimony in relation to the Petition. Said testimony shall be strictly limited to the parameters for evaluation of the Petition set forth in Article 6.25A of Act 57-2014 and Chapter IV of Act 4-2016.

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[1] *See*, Article 6.25A of Act 57-2014, sub-section (f)(2) and (4), and Article 35, sub-section (b)(i) of Act 4-2016.

[2] Pursuant to the April 12, 2016 Resolution and Order, the Commission must issue a final determination regarding the Petition on or before June 21, 2016. Failure to do so will result in the Commission losing jurisdiction and the Petition being considered approved as a matter of law.

[3] The Commission will shortly issue an Order regarding petitions to intervene filed on or before April 19, 2016.

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Any testimony, or section thereof, which exceeds the parameters set forth in the aforementioned legal provisions shall be stricken from the record.

(b) Corporation Reply – The Corporation shall have until **May 16, 2016, at 4:30 p.m.** to file a reply to the intervenor pre-filed testimony. The scope of the Corporation's reply shall be strictly limited to the subject matter discussed by the intervenors in the pre-filed testimony.

(c) Pre-Hearing Motions – The Corporation and intervenors shall file on or before **May 19, 2016, at 4:30 p.m.** the pre-hearing motions in relation to the technical hearing.

(d) Pre-Hearing Conference – The Commission shall hold a pre-hearing conference on **May 23, 2016**. Said conference shall address the pre-hearing motions filed by the Corporation and intervenors, as well as any other procedural question or matter related to the technical hearing. The Commission will provide more details regarding the pre-hearing conference at a later date.

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(e) Technical Hearing – The Commission shall hold a technical hearing on **May 24, 2016**. During said hearing, the Corporation and intervenors will participate in a questions and answers sessions with regards to each party's pre-filed testimony. The technical hearing may last for one or more days. The Commission will issue at a later date the rules which will guide the proceedings during the technical hearing. The time and place of the Technical Hearing shall be notified through public notice in a general circulation newspaper and at the websites of the Commission, the Corporation, the Puerto Rico Electric Power Authority ("PREPA") and the Government Development Bank ("GDB").

(f) Public Comments Hearing – The Commission shall hold public comment hearings on **May 30, 2016**. During said hearing, the public shall have the opportunity to express their opinion regarding the Petition. The time and place of the public comment hearing shall be notified through public notice in a general circulation newspaper and at the websites of the Commission, the Corporation, PREPA and the GDB. Any person wishing to participate during the public comment hearing may reserve his/her turn by expressing his/her interest to do so via email to the following address: comentarios@energia.pr.gov.

(g) Corporation and Intervenor Legal Briefs – The Corporations and intervenors shall have until **June 6, 2016, at 4:30 p.m.** to file their legal briefs with regards to the Petition and the Technical Hearing. Said legal briefs shall be limited to the parameters set forth in Article 6.25A of Act 57-2014 and Chapter IV of Act 4-2016, as well as the subject matter addressed during the Technical Hearing. Neither the Corporation nor intervenors may include in their briefs information or evidence which was not previously included in any testimony or during the technical hearing.

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The following table summarizes the aforementioned procedures and deadlines:

	Procedure	Date
1.	Intervenor pre-filed testimony	May 9, 2016
2.	Corporation Reply	May 16, 2016
3.	Pre-hearing motions	May 19, 2016
4.	Pre-hearing conference	May 23, 2016
5.	Technical Hearing	May 24, 2016 (may last for one or more days)
6.	Public Comments Hearing	May 30, 2016
7.	Corporation and Intervenor legal brief	June 6, 2016

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II. Public Notice

Sub-section (f)(1) of Article 6.25A of Act 57-2014 provides that the Commission shall notify the public regarding any public hearings at least fifteen (15) days prior to the date in which such hearings are to be held. Said Article further provides that: (i) the notice shall be published in at least two (2) general circulation newspapers in Puerto Rico on at least two (2) different occasions within said fifteen (15) day period; (ii) shall be exhibited at the principal offices of the Commission, the Corporation and PREPA during said fifteen (15) day period; and (iii) copy of said notice shall be published, along with the Petition and related documents, at the websites of the Commission, the Corporation, PREPA and the GDB.

As such, the Corporation is hereby **ORDERED** to publish, pursuant to the provisions of sub-section (f)(3) of Article 6.25A, the public notices included and made part of this Resolution and Order as Attachment A. The Corporation shall publish said notices **no later than April 29, 2016**. When publishing said notices, the Corporation shall ensure strict compliance with all applicable laws and regulations, including those related to the publishing of public notices during electoral year.

III. Written Public Comments

Sub-section (f)(3) of Article 6.25A of Act 57-2014 provides that the Commission shall ensure that the public has the opportunity to express their concerns in writing. In compliance with said mandate, any person who is not an intervener in this proceeding may

file written comments regarding the Petition, on or before **June 6, 2016**. Written comments may be filed via email (comentarios@energia.pr.gov) or by regular mail or hand delivery at the Commission's offices located at World Plaza Building, 268 Muñoz Rivera Avenue, Suite 702, San Juan, Puerto Rico 00918. All written comments shall include the following information in their heading: "Verified Petition for Restructuring Order – CEPR-AP-2016-0001" and shall be addressed to the Commission's Chairman, Agustín F. Carbó Lugo, and to the attention of Alejandro Figueroa. Written comments must also include the name and contact information of the person or entity filling said comments.

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.

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 22, 2016. The Commission's Chariman, Agustín F. Carbó Lugo, did not intervene. I also certify that on this date a copy of this Resolution was notified via email to: equinones@qalawpr.com and 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 _____, 2016 I have proceeded with the filing of this Order and I have sent a copy thereof to:

Quiñones & Arbona, PSC
Edwin Quiñones
Víctor D. Candelario-Vega
Giselle M. Martínez-Velázquez
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E. Glenn Rippie
Michael Guerra
Mario E. Domínguez
Kingsbury Center, Suite 600
350 West Hubbard Street
Chicago, Illinois 60654

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

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

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ATTACHMENT A
Notice concerning public hearings

On April 7, 2016, the Puerto Rico Electric Power Authority Revitalization Corporation ("Corporation") filed before the Puerto Rico Energy Commission ("Commission") a Petition for a Restructuring Order ("Petition") pursuant to Article 6.25A of the Energy Transformation and RELIEF Act, Act No. 57-2014 ("Act 57-2014"), as amended by the Puerto Rico Electric Power Authority Revitalization Act, Act No. 4-2016 ("Act 4-2016"). The Petition seeks Commission approval of the imposition of a Transition Charge and Adjustment Mechanism in relation to the issuance of certain Restructuring Bonds, as such terms are defined in Act 4-2016, known as the "Puerto Rico Electric Power Authority Revitalization Act".

Sub-section (f) of Article 6.25A of Act 57-2014 provides that the Commission shall hold public hearings as part of its evaluation of the Corporation's Petition. Pursuant to Article 6.25A of Act 57-2014, the Commission will hold two (2) types of public hearings, which may last for more than one day. The first public hearing shall be a technical hearing during which the Corporation and intervenors may participate and ask questions regarding the Petition and the intervenor's pre-filed testimonies. The technical hearing will be held on Mat 24, 2016, at 9:00 a.m. at the Hearing Room of the Puerto Rico Environmental Quality Board, located at Edificio de Agencias Ambientales Cruz A. Matos, Ave. Ponce de León 1375, San Juan, Puerto Rico.

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The second hearing shall be a public comment hearing during which any person other than an intervenor shall have the opportunity to comment on the Petition and the evaluation process. The public comment hearing shall be held on May 30, 2016 at 9:00 a.m. at the Hearing Room of the Puerto Rico Environmental Quality Board, located at Edificio de Agencias Ambientales Cruz A. Matos, Ave. Ponce de León 1375, San Juan, Puerto Rico. Those persons wishing to participate during the public comments hearing may reserve their turn by sending an email to comentarios@energia.pr.gov.

Any person, other than intervenors, who wish to file written comments may do so on or before June 6, 2016 via email at comentarios@energia.pr.gov or send them via regular mail or hand delivery to Commission's offices, located at World Plaza, 268 Muñoz Rivera Ave., Suite 702, San Juan, PR 00918. Comments must be addressed to the Commission's Chairman, Agustín F. Carbó Lugo and to the attention of Alejandro Figueroa.

The Petition and all accompanying documents are available for public scrutiny through the Commission's website (www.energia.pr.gov), or at the Commission's offices, located in the World Plaza, 268 Muñoz Rivera Ave., Suite 702, San Juan, PR 00918. The Commission's working hours are between 8:30 a.m. and 12:00 m. and from 1:00 p.m. to 5:00 p.m., on business days.

Subsection (f) of Article 6.25A of Act 57-2014 requires the publication of this notice. Authorized by the State Elections Commission.

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