

COMMONWEALTH OF PUERTO RICO PUERTO RICO ENERGY COMMISSION

IN RE: AGUIRRE SITE ECONOMIC ANALYSIS

CASE NO.: CEPR-AP-2017-0001

SUBJECT: Order to compel parties to file pending information.

ORDER

On May 15, 2017, the Puerto Rico Energy Commission ("Commission") held a Clarification Technical Conference Call with the Puerto Rico Electric Power Authority ("PREPA") on the instant proceeding. Through this Order, the Commission addresses the issues discussed during the Technical Conference.

1. LNG Market Research

On February 10, 2017, the Commission issued an Order Initiating the Proceeding on the Aguirre Site Economic Analysis ("February 10 Order"). In said Order, the Commission established the requirements for the economic analysis to be filed by PREPA, which included the submittal of a LNG Market Research.¹

On April 25, 2017, PREPA filed a *Notice of Filing and Update to Status Report*, in which it established that PREPA continued "to work on the legal authorizations needed to provide the LNG/CNG market research."² Furthermore, PREPA stated that it would file the research when the authorizations are in place. On April 26, 2017, the Commission issued a Requirement of Information in which it requested a clarification from PREPA regarding the time it would take PREPA to submit the LNG Market Research.³ PREPA responded to said Requirement of Information stating that both PREPA's counsel, as well as the suppliers' counsel, are working on certain agreements in order to be able to provide the Commission with the requested information.

The Commission has emphazised since its February 10 Order the need for PREPA, as well as intervenors, to comply with the requirements and schedule set forth by the Commission in the instant proceeding. Moreover, the Commission has held several Technical Conferences to provide PREPA with the opportunity to clarify questions or concerns about

¹ The Commission amended the language of Section II(1)(d), LNG Market Research, of the February 10 Order through Resolution and Order of March 15, 2017.

² PREPA's Notice of Filing and Update to Status Report, p. 1.

³ Second Requirement of Information, CEPR-PREPA-02-01, April 26, 2017.

the economic analysis and its requirements. Under Act 57-2014 the Commission has the power to "require and gather any pertinent or necessary information to properly carry out its powers and duties."⁴

As such, the Commission has the power to order PREPA to submit all necessary information, including the referenced market research, in order to complete the analysis of the Aguirre project. In turn, PREPA is required by law to comply with these requirements. Non compliance could result in administrative sanctions, to include fines and the dismissal of the instant case. Although the Commission has requested PREPA to specify when it will provide the required information, PREPA has not done so. The Commission will not further delay this proceeding. PREPA is compelled by law to provide the requested information. In light of the aforementioned, the Commission **ORDERS** PREPA to submit the LNG Market Research **on or before May 22, 2017**.

2. Arctas proposal submittal

On April 21, 2017, Arctas Capital Group, LP ("Arctas") filed its proposal for evaluation on alternatives to the Aguirre Offsore Gasport. Through the May 3, 2017 Resolution and Order, the Commission ordered Arctas to submit its proposal in testimony format, as well as the related workpapers supporting Exhibits I – III of its proposal. The Commission **ORDERS** Arctas to submit its proposal **on May 17, 2017**, as required by the May 3, 2017 Resolution and Order. Failure to provide the requested information may result in the dismissal of Arctas proposal.

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

Be it notified and published.

Ángel R. Rivera de la Cruz Associate Commissioner

José H. Román Morales Associate Commissioner Interim Chairman

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Commission has so agreed on May <u>16</u>, 2017 and on this date a copy of this Order was notified by electronic mail to the following: j-morales@aeepr.com, n-vazquez@aeepr.com, c-aquino@aeepr.com, n-ayala@eepr.com, equinones@qaclaw.com, vcandelario@qaclaw.com,

⁴ Art. 6.3(l) of Act 57-2014, known as the Puerto Rico Energy Transformation and RELIEF Act, as amended.

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María de<mark>l</mark> Mar Cintrón Alvarado Clerk

I certify that today, May___, 2017, I have proceeded with the filing of the Order issued by the Puerto Rico Energy Commission and I have sent a true and exact copy to the following:

Autoridad de Energía Eléctrica de Puerto Rico

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Aguirre Offshore Gasport, LLC

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Windmar Group

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SeaOne Puerto Rico, LLC

Attn.: Luis G. Fortuño 1330 Connecticut Avenue, NW Washington, DC 20036-1795

For the record, I sign this in San Juan, Puerto Rico, today, May 17, 2017.

María del Mar Cintrón Alvarado Clerk