

COMMONWEALTH OF PUERTO RICO

PUERTO RICO ENERGY BUREAU

SEP 18 P2:18

IN RE: REQUEST FOR
PROPOSALS FOR CONVERSION
OF SAN JUAN UNITS 5 AND 6 TO
NATURAL GAS

NO. CEPR-AI-2018-0001

SUBJECT: PREPA'S COMPLIANCE
FILING AND MEMORANDUM ON
CONFIDENTIALITY

**PREPA'S COMBINED COMPLIANCE FILING AND MEMORANDUM ON
CONFIDENTIALITY FOR ITEMS DUE UNDER RESOLUTION AND ORDER
OF SEPTEMBER 11, 2018**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority ("PREPA") and respectfully submits to the honorable Puerto Rico Energy Bureau (the "Bureau") PREPA's Compliance Filing and Memorandum on Confidentiality for Items Due under the Bureau's Resolution and Order of September 11, 2018. This Compliance Filing consists of the information provided in the attach USB device.

MEMORANDUM ON CONFIDENTIALITY

Producing the information provided here could seriously affect the outcome of the Request for Proposal process. Therefore, PREPA, pursuant Article 6.15 of Act No. 57-2014 and according to Section 1.15 of the Bureau Regulation on Adjudicative, Notice of Noncompliance, Rate Review and Investigation Procedures (Regulation No. 8543) has designated the information provided herein as Confidential.

1. In brief, Puerto Rico Law recognizes the confidentiality of trade secrets. The principal law providing for the protection of the confidentiality of trade secrets, codified in Act 80-2011, is the "Industrial and Trade Secret Protection Act of Puerto Rico." Act 80-2011 recognizes that information should be protected when it has the potential for

financial or commercial value. The Legislative Assembly noted that “failure to protect trade secrets could leave companies at the mercy of any competitor or former employee who gains knowledge of any such secret, whether directly from the owner or by other means.” As a public body whose costs are ultimately borne by citizens of the Commonwealth, PREPA also has a strong interest in protecting the trade secrets of actual and prospective vendors and contractors who entrust PREPA with that information in confidence as part of business and financial dealings. Violating those protections (e.g., by public release of confidential financial data) could threaten PREPA’s ability to acquire goods and services from the markets at the lowest cost, ultimately harming customers.

2. Act 80-2011 defines a trade secret as any information that:


... has a present or a potential independent financial value or that provides a business advantage, insofar as such information is not common knowledge or readily accessible through proper means by persons who could make a monetary profit from the use or disclosure of such information; and [f]or which reasonable security measures have been taken, as circumstances dictate, to maintain its confidentiality.

3. Trade secrets may take a variety of forms, including “a process to manufacture, treat or preserve materials, a formula or recipe, a project or pattern to develop machinery, or simply a list of specialized clients that constitute a specific market which provide the owner with an advantage over his/her competitors.” However, these examples are not exhaustive, and the Legislative Assembly reinforced in the Statement of Motives of Act 80-2011 that the broad definition of a trade secret includes “any confidential information with trade or industrial value, which its owner reasonably protects to prevent its disclosure.”

4. PREPA has made the confidentiality designation in this filing based on its careful assessment of the content of the material. Accordingly, PREPA respectfully requests that the Bureau accept the confidentiality designation and treat the information provided as possession and review restricted to Commissioners and their staff only.

WHEREFORE, the Puerto Rico Electric Power Authority respectfully requests that the Honorable Puerto Rico Energy Bureau accept this Compliance Filing, including the Confidentiality designation. .

RESPECTFULLY SUBMITTED,
IN SAN JUAN, PUERTO RICO, THIS 18 DAY OF SEPTEMBER, 2018
PUERTO RICO ELECTRIC POWER AUTHORITY


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CERTIFICATION OF FILING AND SERVICE

I hereby certify that on September 18, 2018, I have sent the above Filing to the Puerto Rico Energy Bureau through its Clerk via email to secretaria@energia.pr.gov and mcintron@energia.pr.gov; and to the office of the Bureau's internal legal counsel via email to legal@energia.pr.gov and sugarte@energia.pr.gov; provided that the Attachments are being provided in hard copy.


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