

GOVERNMENT OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU



IN RE: REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY
INTEGRATED RESOURCE PLAN

CASE NO.: CEPR-AP-2018-0001

SUBJECT: PREPA's Compliance with the
September 28th Order and IRP Timeline

RESOLUTION AND ORDER

On October 15, 2018, the Puerto Rico Electric Power Authority ("PREPA") filed before the Puerto Rico Energy Bureau ("Energy Bureau") a document titled "PREPA's Compliance with the Energy Bureau's September 28th Order" ("Compliance Filing"). In the Compliance Filing, PREPA described the proposed timeline for the IRP submission. PREPA requested to file the final IRP report, including the stochastic analysis by January 21, 2019. PREPA also informed their plan to submit a preliminary IRP report around the last week of November and to make an informal presentation about the preliminary report, around the first week of December 2018.¹ PREPA stated that such informal submissions should not commence the discovery process.² Moreover, PREPA requested not to include the informal presentation in the official docket of the instant case.³

Upon reviewing PREPA's submission of the IRP timeline under the requirements of the September 28th Order in the instant proceeding, the Energy Bureau determines that the submission is **COMPLETE**. As stated in the September 28th Order, the Energy Bureau is ready to receive and commence the IRP evaluation process pursuant to Regulation 9021⁴. As such, PREPA is **ORDERED** to submit the IRP no later than January 21, 2019, as stated in the timeline provided in the Compliance Filing.

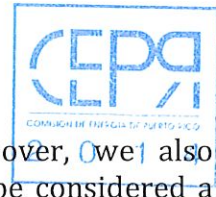
On October 26, 2018, PREPA filed a document titled "PREPA's Motion for an Expedited Technical Conference" ("October 26 Motion"). With its October 26 Motion, PREPA filed the preliminary IRP report. Since the preliminary report was filed as part of the proceedings of the instant case, we **DETERMINE** that it shall be part of the docket. However, such filing does not initiate the discovery process. Notwithstanding the above, the Energy Bureau may require PREPA to address any issues, to clarify certain aspects, or to submit

¹ Compliance Filing, pp. 1 – 2, ¶ 2.

² *Id.*, p. 2, ¶ 4.

³ *Id.*, p. 2, ¶ 2.

⁴ *Regulation on Integrated Resource Plan for the Puerto Rico Electric Power Authority*, April 24, 2018.



additional information regarding the preliminary IRP report.⁵ Moreover, ~~we~~¹ also **DETERMINE** that any presentation given before the Energy Bureau will be considered a Technical Conference⁶, as part of the IRP Prefiling Process (Phase 1) and, as such, it will be part of the docket. This determination doesn't preempt PREPA from conducting any informal presentations with stakeholders or any other interested parties outside the IRP Prefiling Process.

Finally, the Energy Bureau has the duty to exercise regulatory oversight and to ensure that the actions taken by PREPA are prudent. Pursuant to the Energy Bureau's authority under Act 83⁷, Act 57-2014⁸ and Regulation 9021, the Energy Bureau **ORDERS** PREPA to submit an electronic copy of the following documents, within fifteen (15) days of the date of notification of this Resolution and Order: (1) a copy of the original contract with Siemens for the formulation of the IRP; (2) a copy of any amendments to the contract between Siemens and PREPA for the formulation of the IRP; and (3) if there is any deviation on the description of contracted services or the original contracted amount with Siemens, PREPA should state the reason for such change. If an amendment of the contract is expected in the near future because of the different scenarios that are being developed, PREPA shall state the scope of the amendment and the expected change in contracted costs.


Be it notified and published.



Edison Avilés Deliz
Chairman



Lillian Mateo Santos
Associate Commissioner



Ángel R. Rivera de la Cruz
Associate Commissioner



Ferdinand A. Ramos Soegaard
Associate Commissioner

⁵ It is important to point out that in its October 26 Motion PREPA requested a Technical Conference on the week of October 29, 2018 to discuss preliminary results regarding the Scenario 3, as described in the September 28th Order, and to discuss a redefinition of such scenario, based on the preliminary results. The Technical Conference was held on November 2, 2018.

⁶ Section 3.01 of Regulation 9021 – IRP Prefiling Process (Phase 1) establishes that:

The purpose of these technical conferences is to provide an opportunity for the [Bureau] to ensure PREPA's IRP filing will reasonably comply with the requirements set forth in this Regulation and the analysis conducted therein will be sufficiently robust to comply with public goals and meet the [Bureau] expectation as to the quality of the analysis and information provided. These proceedings will also provide an opportunity for PREPA to seek clarifications from the [Bureau] with regards to compliance with the requirements set forth in this Regulation.

⁷ Act 83 of May 2, 1941, as amended, known as the *Puerto Rico Electric Power Authority Act*.

⁸ Known as the *Puerto Rico Energy Transformation and RELIEF Act*, as amended.



CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on November 6, 2018. I also certify that on this date a copy of this Resolution and Order was notified by electronic mail to the following: n-vazquez@aeep.com, astrid.rodriguez@prepa.com, jorge.ruiz@prepa.com. I also certify that today, November 6, 2018, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau and I have sent a true and exact copy to the following:

Puerto Rico Electric Power Authority

Attn.: Nitza D. Vázquez Rodríguez

Astrid I. Rodríguez Cruz

Jorge R. Ruíz Pabón

PO Box 364267

Correo General

San Juan, PR 00936-4267

For the record, I sign this in San Juan, Puerto Rico, today November 6, 2018.

María del Mar Cintrón Alvarado
Clerk