

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: Resolution and Order on Puerto
Rico Electric Power Authority's Compliance
Filing Regarding Siemens' Contract

RESOLUTION AND ORDER

On November 6, 2018, the Puerto Rico Energy Bureau ("Energy Bureau") issued an Order ("November 6 Order") instructing the Puerto Rico Electric Power Authority's ("PREPA") to, on or before November 21, 2018, provide the following: (i) a copy of PREPA's original contract with Siemens Industry, Inc. ("Siemens") for the technical consulting services regarding the updated Integrated Resource Plan; (b) a copy of any amendments to the original contract with Siemens; and (iii) if there is any deviation on the description of the contracted services or the contract amount, a statement of the reasons(s) for the deviation(s); and if an amendment is expected in the near future because of the different scenarios that are being developed, a statement of the scope of the amendment and the expected change in the contracted services.¹

On November 20, 2018, PREPA timely filed a motion titled *PREPA's Compliance Filing Regarding Siemens Contract* ("Compliance Motion"), which enclosed (i) a copy of the original contract between PREPA and Siemens executed on June 14, 2018 (Contract No. 2018-P00176) with its attachments² and; (ii) a copy of the First Amendment³ executed on September 28, 2018.

In the Compliance Motion, PREPA stated that it changed the contract's terms and conditions to address the additional requests for scenarios, runs, and cases made by the stakeholders, the Fiscal Oversight and Management Board and the Energy Bureau. PREPA also stated that, at the moment, it does not believe that any further contract amendments will be needed since the contract is valid throughout the 2019 fiscal year (ending June 30, 2019).⁴

¹ See Order, November 6, 2018, Case No. CEPR-AP-2018-0001.

² See Compliance Motion, Attachments 1 and 2, November 20, 2018.

³ *Id.*, Attachment 3.


⁴ See Compliance Motion, ¶6, p. 2. Note, however, that the First Amendment states as follows:



Upon review of the documents submitted by PREPA, the Energy Bureau determines that the changes to the Siemens contract were reasonable. Although PREPA has informed that it does not believe that any further contract amendments will be needed in the current IRP process, the Energy Bureau reminds PREPA that any future amendments to its contract with Siemens must be submitted to the Energy Bureau, together with the scope of the amendment and the change in the contracted amount, for the Energy Bureau's review and approval prior to executing the amendment.

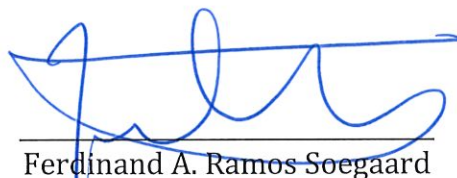
Based on the foregoing, the Energy Bureau **DETERMINES** that PREPA complied with the of November 6 Order. PREPA is hereby **ORDERED** to submit, for the Energy Bureau's review and approval, any proposed amendment to the Siemens contract, together with a statement of the scope of the amendment and the change in the contracted amount, **PRIOR** to executing the amendment.


Be it notified and published.


Edison Avilés Deliz
Chairman


Ángel R. Rivera de la Cruz
Associate Commissioner


Lillian Mateo Santos
Associate Commissioner


Ferdinand A. Ramos Soegaard
Associate Commissioner


José J. Palou Morales
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on December 20, 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@aepr.com,

WHEREAS, the Contract did not include enough time and funds for the IRP filing process before the Puerto Rico Energy Commission (PREC), which is the last stage of the IRP study. The IRP process may include, among other things, technical meetings and hearings, discovery, expert testimony, reports, public hearing, and information and simulations requirements.

See First Amendment, p. 2.



astrid.rodriguez@prepa.com, jorge.ruiz@prepa.com. I also certify that today, December 20, 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 December 20, 2018.

María del Mar Cintrón Alvarado
Clerk