

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

# IN RE: REQUEST FOR CERTIFICATION OF HSEA PR ISLA SOLAR III, LLC

**CASE NO.:** CEPR-CT-2016-0003

**SUBJECT:** Cancellation of Certification as Electric Service Provider.

# FINAL RESOLUTION AND ORDER

#### I. Facts and Procedural Background

HSEA PR ISLA SOLAR III, LLC ("HSEA") was a company who owned a solar photovoltaic generation project with capacity of 3.98MW ("Project"). On May 10, 2016, under Regulation 8701,<sup>1</sup> the Puerto Rico Energy Bureau ("Energy Bureau") issued HSEA's certification as an Electric Service Provider.<sup>2</sup>

On December 17, 2018, the Energy Bureau ordered HSEA to show cause why the Energy Bureau should not impose a fine of five thousand dollars (\$5,000.00) due to its failure to comply with Act 57-2014<sup>3</sup> and Section 2.02 (A) (1) of Regulation 8701 regarding HSEA's obligation, as an electric service company, to submit their annual operational report.

On December 27, 2018, attorney Bryan Gibson, general counsel for Hanwha Q Cells USA Corp.<sup>4</sup> submitted a letter via email addressed to the Energy Bureau's Clerk explaining the reasons for HSEA's noncompliance. The mentioned letter stated that HSEA's was dissolved and requested the Energy Bureau to consider the project and HSEA's status as an electric service provider as terminated. Nevertheless, the corresponding Certificate of Cancellation was not attached and the letter did not comply with Section 2.02 of Regulation

<sup>&</sup>lt;sup>1</sup> Amendment to Regulation No. 8618, on Certification, Annual Fees and Operational Plans of Electric Service Companies in Puerto Rico, Regulation No. 8701, Energy Bureau, February 17, 2016.

<sup>&</sup>lt;sup>2</sup> See Certification of Electric Service Provider, Case No. CEPR-CT-2016-0003.

<sup>&</sup>lt;sup>3</sup> Known as the Puerto Rico Energy Transformation and RELIEF Act, as amended.

<sup>&</sup>lt;sup>4</sup> The managing member of HQC PR Solar Holding, LLC who was until recently the managing member of HSEA.

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8543<sup>5</sup> regarding the General Requirements of Written Appearances.<sup>6</sup>

Therefore, on February 4, 2019, the Energy Bureau ordered HSEA to comply with Regulation 8543 within fifteen (15) days of the notification of the Resolution and Order and warned HSEA that the noncompliance with Act 57-2014 and/or Energy Bureau Regulations is sufficient cause for imposing fines and other administrative sanctions.

On February 5, 2019, Mr. Gibson wrote<sup>7</sup> to the Energy Bureau reiterating that HSEA was dissolved by the State Delaware and that its solar power project was destroyed by Hurricane María in September 2017. This email enclosed a copy of the Certificate of Cancellation issued by the State of Delaware on December 7, 2018.<sup>8</sup>

# II. Conclusion

Upon review of the filings submitted by HSEA's representatives it is clear that HSEA ceased operations after the project was destroyed by Hurricane María on September 2017 and that HSEA's certificate of formation was cancelled by the State of Delaware. In its filings, HSEA's representatives essentially asked the Energy Bureau to cancel HSEA's certification. Based on the particular circumstances of the instant case, and pursuant to the provisions of Articles 6.13(e) and 6.14 of Act 57-2014, and Sections 3.01 and 3.05 of Regulation 8701, the Energy Bureau ACKNOWLEDGES the dissolution of HSEA. For this reason, the Energy Bureau hereby CANCELS HSEA's certification as an Electric Service Company. The Energy Bureau's Clerk is ORDERED to issue the corresponding cancellation certificate.

Any party affected by this determination may file a motion for reconsideration of this Resolution before the Puerto Rico Energy Bureau pursuant to Section 11.01 of Regulation 8543, and the applicable provisions of Act 38-2017, known as the Uniform Administrative Procedures Act of the Government of Puerto Rico ("UAPA"). The affected party shall file its motion for reconsideration within the term of twenty (20) days from the date of the filing of this Resolution. Such request must be presented to the Bureau Clerk's Office located at World Plaza Building, 268 Ave. Muñoz Rivera, Plaza Level Ste. 202, San Juan, P.R. 00918.

The Energy Bureau shall consider said motion within fifteen (15) days of its filing. Should the Energy Bureau reject it forthright or fail to act upon it within fifteen (15) days, the term to request review shall recommence from the date of notice of such denial, or from

And And

<sup>&</sup>lt;sup>5</sup> Regulation on Adjudicative, Notice of Non-Compliance, Rate Review, and Investigation Proceedings, Regulation No. 8543, Energy Bureau, December 18, 2014.

<sup>&</sup>lt;sup>6</sup> On January 7, 2019, Ms. Sharon Kim, Contracts for Hanwha Q Cells USA Corp., submitted via overnight delivery a copy of the December 27, 2018 letter.

<sup>&</sup>lt;sup>7</sup> See email sent by Bryan Gibson, Esq. to the Energy Bureau's Clerk on February 5, 2019.

<sup>&</sup>lt;sup>8</sup> *See* Certificate of Cancellation for HSEA PR ISLA SOLAR III LLC, issued by the State of Delaware on December 7, 2018.

the expiration of the fifteen (15)-day term, as the case may be. If a determination is made inclass terms as the case may be a second its consideration, the term to petition for review shall commence from the date when a copy of the notice of the Energy Bureau's resolution definitively resolving the motion to reconsider is filed in the record of the case. Such resolution shall be issued and filed in the record of the case within ninety (90) days after the motion to reconsider has been filed. If the Bureau accepts the motion to reconsider but fails to take any action with respect to said motion within ninety (90) days of its filing, it shall lose jurisdiction on said motion and the term to file judicial review shall commence upon the expiration of said ninety (90)-day term, unless the Energy Bureau, for just cause and within those ninety (90) days, extends the term to resolve for a period that shall not exceed thirty (30) days.

In the alternative, any affected party may file a petition for review before the Court of Appeals within a term of thirty (30) days from the date the copy of the notice of this Resolution was filed in the record of the Energy Bureau. The aforementioned pursuant to Section 11.03 of Regulation 8543, and the applicable dispositions of the UAPA and the Court of Appeals Regulation.

Be it notified and published.

Edison Avilés Deliz Chairman

Ángel R. Rivera de la Cruz Associate Commissioner Ferdinand A. Ramos Soegaard Associate Commissioner

Lillian Mateo Santos

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Associate Commissioner

José J. Palou Morales Associate Commissioner

#### **CERTIFICATION**

I hereby certify that the Puerto Rico Energy Bureau has so agreed on March 11, 2019. I also certify that today March 11, 2019, a copy of the Final Resolution and Order was notified by electronic mail sent to bryan.gibson@us.q-cells.com. I also certify that today I have proceeded with the filling of this Final Resolution and Orden and I have sent a true and exact copy thereof to:

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# **HSEA PR ISLA SOLAR III, LLC** Sr. Bryan Gibson

300 Spectrum Center Drive, Ste 1250 Irvine, CA 92618

For the record, I sign this in San Juan, Puerto Rico, today, March  $\mathcal{M}$ , 2019.

María del Mar Cintrón Alvarado Clerk