



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

IN RE: REQUEST FOR CERTIFICATION
DG SOLAR LESSEE II, LLC.

CASE NO.: CEPR-CT-2016-0017

SUBJECT: Imposition of administrative fine
for non-compliance

RESOLUTION AND ORDER

On March 21, 2019, the Energy Bureau of the Puerto Rico Public Service Regulatory Board (“Energy Bureau”) ordered DG Solar Lessee II, LLC (“DG Solar”) to show cause why the Energy Bureau should not impose a fine of five thousand dollars (\$5,000.00) for its failure to comply with the provisions of Act 57-2014¹ and Regulation 8701,² regarding the submittal of the company’s gross revenue information. Furthermore, the Energy Bureau ordered DG Solar to submit its gross revenue report associated with sales during Fiscal Year 2018.

On March 29, 2019, DG Solar filed a document titled *Showing of Cause in Compliance with Order Dated March 21, 2019, and Request for Extension* (“Motion”). In the Motion, DG Solar argued that it has yet to complete its audit for the referred fiscal year. DG Solar further stated that it “normally engages an outside accounting firm to formally prepare financial statements and expects the audit to be completed by the end of April of this year.”³ DG Solar expressed that it cannot provide the information related to their gross revenues until around April 22, 2019, and requested an extension until that date to file such information.

Upon reviewing DG Solar’s Motion, the Energy Bureau determines that DG Solar did not show sufficient cause for its noncompliance with timely providing the gross revenue information for Fiscal Year 2018. The provisions of Regulation 8701 are clear regarding the requirements for the presentation of the electric service companies’ gross revenue information and financial statements. It is the company’s duty to submit its financial information according to the provisions and terms established on Regulation 8701. Based on DG Solar’s historic gross revenue, it must submit compiled financial statements in accordance with Section 4.02(D) of Regulation 8701. DG Solar failed to do so.

¹ Known as the *Puerto Rico Energy Transformation and RELIEF Act*, as amended.

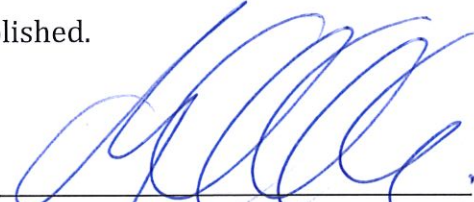
² *Amendment to Regulation No. 8618, on Certifications, Annual Fees and Operational Plans of Electric Service Companies in Puerto Rico*, Regulation 8701, February 17, 2016.

³ See *Showing of Cause in Compliance with Order Dated March 21, 2019, and Request for Extension*, March 29, 2019, Case No. CEPR-CT-2016-0017, at 1.




Based on the above, the Energy Bureau **IMPOSES** DG Solar a fine of two thousand five hundred dollars (\$2,500.00) based on its noncompliance with the provisions of Act 57-2014 and Regulation 8701. Furthermore, the Energy Bureau **ORDERS** DG Solar to (i) issue the payment of the aforementioned fine **within fifteen (15) days of the issuance of this Resolution and Order**, and (ii) file the gross revenue report for Fiscal Year 2018 and the corresponding compiled financial statements within the term specified above. The Energy Bureau **WARNS** DG Solar that non-compliance with Energy Bureau's orders and regulations may result in additional administrative fines and sanctions.

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

CERTIFICATION

I hereby certify that the Puerto Rico Energy Bureau has so agreed on April 12, 2019 and on this date a copy of the Resolution and Order was notified by electronic mail sent to jeff.lewis@terraform.com, ivc@mcvpr.com and cfl@mcvpr.com. I also certify that this is a true and exact copy of the Resolution issued by the Puerto Rico Energy Bureau and I have proceeded with the filling of this Resolution and Order and I have sent a copy thereof to:

McConnell Valdés, LLC
Lcdo. Ignacio J. Vidal Cerra
PO Box 364225
San Juan, P.R. 00936

Jeff Lewis
Terra Form Power
200 Liberty Street 14th Floor
New York, NY 10281

For the record, I sign this in San Juan, Puerto Rico, today, April 12, 2019



A handwritten signature in blue ink, which appears to read 'Wanda I. Cordero Morales', is written over a horizontal line.

Wanda I. Cordero Morales
Interim Clerck