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SECRETARIA
COMISION DE ENERGIA DE
PUERTO RICO

COMMONWEALTH OF PUERTO RICO
PUERTO RICO ENERGY BUREAU

<p>RE: REVIEW OF THE PUERTO RICO ELECTRIC POWER AUTHORITY INTEGRATED RESOURCE PLAN</p>	<p style="text-align: right;">19 MAY -7 P 3:42</p> <p>CASE NO. CEPR-AP-2018 0001</p> <p>SUBJECT: Informative Motion Regarding PREPA's Informative Motion of April 17, 2019 and Request</p>
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MOTION REGARDING PREPA's INFORMATIVE MOTION OF APRIL 17, 2019 AND REQUEST

TO THE BUREAU:

NOW COMES Windmar Renewable Energy (Windmar) through it appearing attorney and respectfully alleges and prays:

1. On April 17, 2019, PREPA submitted a Motion titled: "PREPA's Informative Motion, Proposal regarding compliance Schedule and Update Question".
2. On April 16, 2019 National Public Finance Guarantee Corporation (National) filed a motion titled "Informative Motion Regarding Change AES Assumptions".
3. This Windmar motion will address two specific issue.

First: Windmar fully agrees that, as National has stated:

"it appears the PREPA is continuing to rely on IRP assumptions that materially conflict with this new information- despite an awareness of such information and without apprising the Bureau".

...

"...taking the AES plant out of service for the time required to convert it cloud increase electricity rates by 20 percent...".

...

"Therefore, transitioning the AES coal plant to some other type of fuel in 2020 would materially affect the current IRP process and may also increase

PREPA's costs- and, in turn, the electricity rates paid by PREPA's customers."

Once again the Government, including PREPA, has made public policy positions that contradict the current IRP and the premises of the evolving IRP without fully complying with the Bureau's procedures.

Windmar join National on the claim concerning AES 2020 conversion.

Second: PREPA's motion states:

"c. With respect to purchasing Renewable Energy Certificates ("REC's") from the customer-owned distributed generation ("DG"), PREPA and Siemens currently do not have a price for those REC's. In our opinion, for those clients benefiting from net-metering, the REC's should be made available to PREPA at no cost, in return for the service PREPA will be providing by storing the energy during the day for delivery at night. However, given that PREPA and Siemens currently expect that PREPA will meet the RPS (renewable portfolio standard) just accounting for the LCOE economically installed renewable generation, or will get very close to it, PREPA and Siemens will run the LTCE's considering that only utility-scale renewable generation contributes to the renewable portfolio standard ("RPS") requirement and will provide an indication of the maximum price for these DG REC's as the shadow price of the RPS constraint (whenever binding)."

This PREPA premise is totally and absolutely contrary to the specific legal mandate of Law 17 of 2019.

The Law states in Spanish language:

"8) "Certificado de Energía Renovable" o "CER".- es un bien mueble que constituye un activo o valor económico mercadeable y negociable, que puede ser comprado, vendido, cedido y transferido entre personas para cualquier fin lícito, y que de forma íntegra e inseparable representa el equivalente de un (1) megavatio-hora (MWh) de electricidad generada por una fuente de energía renovable sostenible o energía renovable alterna en Puerto Rico (emitido e inscrito conforme a esta Ley) y, a su vez, comprende todos los atributos ambientales y sociales, según definidos en esta Ley."

14) "Energía renovable distribuida".- significa energía renovable sostenible o energía renovable alterna que le suministre energía eléctrica a una

compañía de servicio eléctrico o que genere para su propio consumo o venta a un tercero. Los sistemas comunitarios se consideran energía renovable distribuida a nivel residencial y su capacidad máxima será determinada por el Negociado de Energía de Puerto Rico, con el insumo de la Autoridad de Energía Eléctrica o del Contratante de la red de transmisión y distribución, según aplique.”

“29) “Prosumidor”: Se refiere a todo usuario o consumidor del Sistema Eléctrico que cuente con la capacidad de generar energía eléctrica para su propio consumo, y que, a su vez, cuente con la capacidad de distribuir o suplir cualquier excedente de energía a la red eléctrica o a otros usuarios.”

(e) Para propósitos de demostrar cumplimiento con este Artículo, la cantidad de energía renovable distribuida generada por los prosumidores se contabilizará y tendrá acceso al registro de Certificados de Energía Renovable de acuerdo con las disposiciones de esta Ley, la Ley de Política Pública Energética de Puerto Rico y los reglamentos que para esos fines apruebe el Negociado de Energía.

(a) Un proveedor de energía al detal podrá cumplir con la Cartera de Energía Renovable creada bajo esta Ley, presentándole al Negociado cualquiera de los siguientes o una combinación de los mismos:

(i) un CER, emitido e inscrito en el registro de renovables a nombre del proveedor de energía al detal, para cada megavatio-hora (MWh) de electricidad generado de fuentes de energía renovable sostenible o energía renovable alterna en Puerto Rico, y/o

(ii) en el caso de un proveedor de energía al detal que contabilice la electricidad generada por y comprada de productores de energía renovable distribuida localizados en Puerto Rico mediante un programa de medición neta, y cuando no sea viable obtener CER's que representen dicha electricidad, un informe que demuestre que el proveedor de energía al detal ha cumplido con la Cartera de Energía Renovable mediante la compra de energía renovable, junto con todos los atributos ambientales y sociales relacionados con la producción de dicha energía, conforme lo dispuesto en el inciso (e) de este Artículo.

(iii) Todos los CER's, incluyendo los de energía renovable distribuida y los de abonados que tienen medición neta, podrán ser adquiridos por un proveedor de energía al detal para fines de cumplimiento con la Cartera de Energía Renovable, o por otros compradores para cualquier fin legítimo.”

It is not legally possible to permit PREPA to premise its IRP compliance in opposition to a specific legally mandated requirement.

As of February 2019 The operating and planned utility-scale renewable generation as reported by the U.S. Energy Information Administration (“EIA”) in FORM EIA-860 was 145.6 MW of AC Nameplate Solar Photovoltaic Capacity (SUN) and 75 MW of AC Nameplate Onshore Wind Turbine (WIND).

PREPA has neither assume or rejected any of this contracts. PREPA has neither assumed or rejected any of the non-operating PPOAs. Yet, PREPA claims as stated that it will run the LTCS’s “considering that only utility-scale renewable generation contributes to the renewable portfolio standard (“RPS”). Current and planned utility scale renewable generation account for less than 2%. The RPS requirement for 2020 is 20%. To achieve that percentage, 1,600 MW of solar and wind projects need to be built in one year.

The EIA also provide the nameplate capacity of Solar Photovoltaic that have an interconnection and or net-metering contract. As of February 2019 there were 141.6MW AC capacity of Solar Photovoltaic generators of 1MW or less and 29.1 MW AC capacity of Solar Photovoltaic generators of more than 1MW. There are more DG Solar Photovoltaic generators than there are operating and planned utility-scale Solar photovoltaic generators. The RECs from these non-utility-scale generators represent an additional 2%. PREPA needs to buy them to be comply with the LAW. Once more we see PREPA’s puerile attempt to ignore DG renewable energy REC’s.

Net-metering installations provide services to the grid, now more than ever as almost all new installations come with a Battery Energy Storage System (“BESS”). Whether what they provide to the grid is more or less than what the grid provides to them is a tariff not an IRP issue.

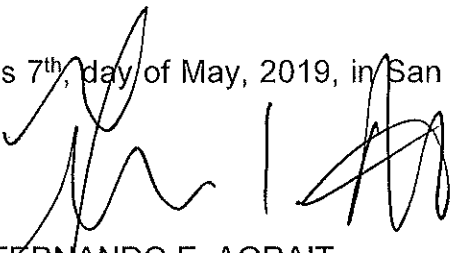
PREPA must comply with Law 17, and so should this Board order PREPA. Concerning REC's payments the issue that Siemens need to evaluate is what price needs to be pay for REC's to entice the rapid deployment of utility-scale and DG renewable energy generators. The higher the REC price the greater the incentive to build renewable energy systems.

PREPA needs to starts paying, as required by LAW for DG REC's. The price that PREPA currently pays for utility-scale RECs is too low for DG REC's. PREPA needs to pay a higher price for DG REC's.

WHEREFORE Windmar respectfully request this Bureau to receive this motion and act accordingly concerning the issues raised.

CERTIFICATE OF SERVICE: We hereby certify that on this same date a true and accurate copy of the foregoing motion was sent via electronic means to Autoridad de Energía Eléctrica de Puerto Rico to Nérida Ayala Jiménez, Esq., Nitza D. Vázquez Rodríguez, Esq. and Carlos M. Aquino Ramos, Esq. at n-ayala@aepr.com, n-vazquez@aepr.com, c-aquino@aepr.com; to the Oficina Independiente de Protección al Consumidor, to Coral M. Odio Rivera, Esq. and José Pérez Vélez, Esq. at codiot@oipc.gov, and jperez@oipc.gov; and to the Oficina Estatal de Política Pública Energética to Wilma I. López Mora at Wilma.lopez@aepr.gov and Adsuar Muñiz Goyco Seda & Pérez-Ochoa, PSC, Eric Pérez-Ochoa, epo@amgprlaw.com; Luis A. Oliver-Fraticelli, loliver@amgprlaw.com, and Weil, Gotshal & Manges LLP, Robert Berezin, rob.berezin@weil.com; Jonathan Polkes, jonathan.polkes@weil.com; Jared Friedmann, jared.friedmann@weil.com, Gregory Silbert, gregory.silbert@weil.com.

RESPECTFULLY SUBMITTED this 7th, day of May, 2019, in San Juan, Puerto Rico.



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