

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



IN RE: INTERCONNECTION REGULATIONS

CASE NO.: NEPR-MI-2019-0009

SUBJECT: Modification of PREPA
Interconnection Regulations and
Workshops for Stakeholders.

RESOLUTION AND ORDER

I. Introduction

In 2017, the Puerto Rico Electric Power Authority ("PREPA") adopted two regulations for the interconnection of generators to PREPA's grid, pursuant to the provisions of Act 114-2007.¹

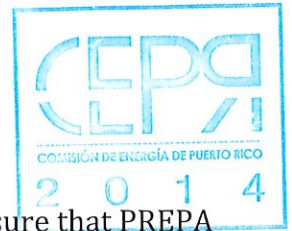
Having a streamlined and efficient interconnection process is a key component for the timely integration of distributed generators² ("DGs"). Therefore, it is of the utmost importance that interconnection regulations and procedures are properly aligned with public policy and that the most efficient mechanisms are in place to promote such policy. Act 17-2019 modifies the public policy regarding DGs interconnection in order to facilitate the integration of DGs to the PREPA grid.³ Pursuant to Act 17-2019, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") is responsible for overseeing the adoption of new interconnection regulations.⁴

¹ *Regulation for the Interconnection of Generators with the Distribution System of the Puerto Rico Electric Power Authority and to Participate in the Net Metering Programs*, Regulation No. 8915, February 6, 2017 and *Regulation for the Interconnection of Generators with the Transmission or Sub-Transmission System of the Puerto Rico Electric Power Authority and to Participate in the Net Metering Programs*, Regulation No. 8916, February 6, 2017 (collectively, the "PREPA Regulations"). See, IN RE: Autoridad de Energía Eléctrica de Puerto Rico; Oficina Estatal de Política Pública Energética, Case No. CEPR-MI-2014-0001. On 2017, PREPA created an electronic filing platform for the processing of interconnection applications as part of its measures to expedite the processing of interconnection requests.

² Section 1.2(g) of Act 17-2019, known as the *Puerto Rico Energy Public Policy Act*, defines the term "Distributed Generation" as the electric power delivered to the distribution grid that is generated from an energy source in a facility near where it will be used.

³ Section 9 of Act 114-2007, known as the *Electric Power Authority Net Metering Program*, as amended by Section 3.9 of Act 17-2019.

⁴ Section 10 of Act 114-2007, as amended by Section 3.10 of Act 17-2019.



II. Energy Bureau's Authority

The Energy Bureau, among other things, has the responsibility to ensure that PREPA and every electric service company complies with the provisions of Act 57-2014⁵ and Act 114-2007, regarding interconnection to PREPA's electric power grid. Moreover, Act 57-2014 and Act 17-2019 empowered the Energy Bureau to take the necessary steps to carry out its duties and responsibilities to regulate PREPA, including the adoption of interconnection regulations.⁶ Relevant to this Resolution and Order are the provisions of Act 17-2019 which require PREPA to fully comply with all rules, regulations, orders, mandates, requests and penalties, as established by the Energy Bureau.⁷

III. Public Policy on DGs Interconnection

The public policy of the Government of Puerto Rico is to ensure that the procedures for the interconnection of DGs to the electric power system are effective in terms of costs and processing time, in order to promote the development of these types of projects and incentivize economic activity through the reduction of energy costs in the residential, commercial, and industrial sectors.⁸

To that effect, Act 17-2019 states that the goal of the new energy public policy is to achieve, among others, the following initial objectives:

To facilitate the interconnection of distributed generation to the electric power grid through any available mechanism including, but not limited to, distributed generation, renewable energy sources, net metering, and the use of microgrids by implementing the mechanisms, strategies, and technologies available in the electric power industry for such purposes.⁹

Accordingly, Act 17-2019 mandates the following: (i) PREPA "... and any other electric power service company, shall comply with the rules established for the interconnection of distributed generation and microgrids, including the expedited processes under the regulations for the interconnection of generators to the distribution system, and the processes to interconnect microgrids and, in addition, shall establish an effective process to reduce the interconnection time"¹⁰; (ii) it is part of the duties and responsibilities of electric

⁵ Known as the *Puerto Rico Energy and Transformation and RELIEF Act*, as amended.

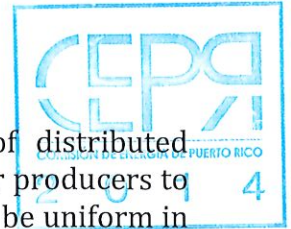
⁶ Section 10 of Act 114-2007, as amended by Section 3.10 of Act 17-2019.

⁷ Section 6 of Act No. 83 of May 2, 1941, known as the *Puerto Rico Electric Power Authority Act.*, as amended by Section 2.8 of Act 17-2019.

⁸ Section 9 of Act 114-2007, as amended by Section 3.9 of Act 17-2019.

⁹ Section 1.6(8) of Act 17-2019.

¹⁰ Section 1.5(8)(b) of Act 17-2019. (Emphasis added).



service companies “[t]o facilitate and not hinder the interconnection of distributed renewable energy producers, distributed generators, and independent power producers to the electric power grid”.¹¹ Additionally, the interconnection procedures shall be uniform in all regions.¹²

Moreover, to ensure PREPA’s and all electric service companies’ compliance with the public policy on interconnection, Act 17-2019 established the following:

[PREPA], its successor, or the transmission and distribution network Contractor’s noncompliance with the public policy on the interconnection of distributed generators or microgrids to the distribution network shall entail a fine of one thousand dollars (\$1,000) per day to be imposed by the Bureau and that shall be deposited into the Green Energy Fund of Puerto Rico created by virtue of Act No. 83-2010, as amended, known as the ‘Green Energy Incentives Act of Puerto Rico,’ or similar provisions of incentives laws, to subsidize photovoltaic and energy storage systems. The fine herein imposed shall not be deemed to limit the power of the Bureau to impose any other applicable fine or administrative penalty to enforce its orders and the public policy on energy.¹³

IV. Rulemaking Process

With respect to the rulemaking process for the interconnection regulations, Section 10 of Act 114-2007, as amended by Section 3.10 of Act 17-2019, establishes the following:

The Electric Power Authority is hereby directed to adopt or modify regulations as needed for the faithful compliance with this Act in accordance with the standards and technical requirements established by the Energy Bureau. Said regulations shall be promulgated within a term not to exceed one hundred eighty (180) days after the approval of this Act.

The Electric Power Authority shall be required to promulgate regulations for the interconnection of distributed generators with a generating capacity of less than one megawatt (1MW), as well as regulations for the interconnection of distributed generators with a generating capacity between one megawatt (1MW) and five megawatts (5MW) to be connected to sub-transmission facilities. Such regulations shall be consistent with the public policy on interconnection set forth in Section 9 of this Act and shall ensure the reliability and safety of the electric power system. Said

¹¹ Section 1.10(d) of Act 17-2019. (Emphasis added).

¹² Section 9 of Act 114-2007, as amended by Section 3.9 of Act 17-2019.

¹³ Section 1.14 of Act 17-2019 (Emphasis added).



regulations for the interconnection of distributed generators shall be promulgated within a non-extendable term of one hundred eighty (180) days after the effective date of this Act. Furthermore, PREPA shall amend any other regulations in effect that govern or are related to the Net Metering Program to conform it to the provisions of this Act and the terms and procedures to be included in the regulations for the interconnection of distributed generators.

In the event that the Electric Power Authority fails to promulgate or modify the regulations for the interconnection of distributed generators on or before one hundred eighty (180) days after the approval of this Act, the evaluation and approval process of applications for interconnection of distributed generators shall be established by the Energy Bureau, following the best practices of the industry. Such process shall have the purpose of reducing administrative steps while safeguarding the reliability and safety of Puerto Rico's electric power grid, and ensuring compliance with the public policy on energy of the Government of Puerto Rico.

Any amendment proposed by the Authority, its successor, or the transmission and distribution network Contractor to the regulations for the interconnection of distributed generators must be submitted to the Energy Bureau in order to hold public hearings as established in this Act. Any amendment proposed by the Bureau to the regulations for the interconnection of distributed generators shall follow the process established in this Section.

The Bureau shall be required to hold public hearings prior to the approval of any amendment to the regulations for the interconnection of distributed generators. Such public hearings shall not be held within less than thirty (30) days after the publication of the public notice of the proposed amendment to the regulations for the interconnection of distributed generators. Thirty (30) days after the public hearing process has concluded, the Bureau shall issue its determination about whether or not the amendment to the regulations for interconnection shall be accepted. Once the decision of the Bureau becomes final and binding, the Bureau shall amend the regulations for the interconnection of distributed generators in accordance with those amendments adopted pursuant to such decision.¹⁴

Article 10 of Act 114-2007 establishes a clear process to adopt or modify interconnection regulations. PREPA must file with the Energy Bureau for its review and approval, draft interconnection regulations that comply with the standards and technical requirements established by the Energy Bureau. Therefore, the first step in the process is for the Energy Bureau to establish such interconnection standards.

¹⁴ Section 10 of Act 114-2007, as amended by Section 3.10 of Act 17-2019. (Emphasis added).



In order to fulfill its statutory mandate to establish clear standards and technical requirements for the interconnection of DGs, the Energy Bureau determined that input from industry stakeholders is essential in the development of such standards and technical requirements. For this reason, the Energy Bureau developed the process described below to efficiently receive such input.

A. Stakeholder Workshops.

Since the adoption of the interconnection regulations in 2017, stakeholders have expressed concerns about their implementation, including the digital platform developed by PREPA, and its adverse impact on the integration of DGs in Puerto Rico. The Energy Bureau deems appropriate to receive input from stakeholders that can be taken into consideration in the regulatory amendments required by Act 17-2019. Therefore, the Energy Bureau will hold a series of stakeholder workshops, which will include PREPA, on the following dates:

June 7, 2019

9:00 am to 4:00 pm

1st Workshop

Energy Bureau Hearing Room
World Plaza Building 8th Floor
268 Ave. Muñoz Rivera, Hato Rey, PR

June 21, 2019

9:00 am to 4:00 pm

2nd Workshop

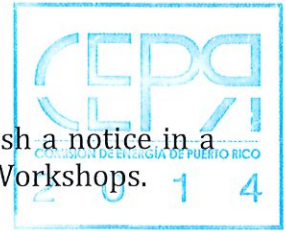
Energy Bureau Hearing Room
World Plaza Building 8th Floor
268 Ave. Muñoz Rivera, Hato Rey, PR

The objective of the stakeholder workshops is to evaluate and address stakeholders' concerns regarding the current interconnection regulations and to find solutions that are aligned with the new public policy.

Stakeholders will have until July 5, 2019 to file comments with the Energy Bureau through any of the following means:

- a. By email to the following address: comentarios@energia.pr.gov;
- b. Online, using the Energy Bureau's Electronic Filing Tool, at the following address: <https://radicacion.energia.pr.gov>.
- c. By postal mail addressed to the Puerto Rico Energy Bureau's Clerk's Office, at World Plaza Building, 268 Muñoz Rivera Ave., Suite 202, San Juan, PR 00918; or
- d. In person at the Energy Bureau's Clerk's Office, located at the address set forth above.

To ensure ample public participation, the Energy Bureau will publish a notice in a newspaper of general circulation with the information of the Stakeholders Workshops.



B. Draft Regulations

Once the Energy Bureau establishes the new interconnection standards and technical requirements, it will order PREPA to file with the Energy Bureau a draft of the proposed interconnection regulations. The Energy Bureau will review the proposed drafts and include any amendments it deems necessary. After completing the foregoing review process, the Energy Bureau will publish notices about the proposed regulations and will hold hearings in accordance with the provisions of Section 10 of Act 114-2007 and Act 38-2017¹⁵. Once the process is complete, the Energy Bureau will issue a resolution adopting the new interconnection regulations.

Finally, due to the possible impact of this proceeding on PREPA's operations, the Energy Bureau **ORDERS** PREPA to timely coordinate the attendance of its relevant management and technical personnel to both Stakeholders Workshops.

For the benefit of all parties involved, the Energy Bureau publishes this Resolution and Order in both Spanish and English. Should any discrepancy arise between these two versions, the provisions of the English version shall prevail.

Be it notified and published.

Edison Avilés Deliz
Chair

Ángel Rivera de la Cruz
Associate Commissioner

Lillian Mateo Santos
Associate Commissioner

Ferdinand A. Ramos Soegaard
Associate Commissioner

¹⁵ Known as the *Uniform Administrative Procedure Act of the Government of Puerto Rico*.

CERTIFICATION



I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on May 20, 2019. I also certify that on this date a copy of this Resolution and Order was notified by electronic mail to the following: carlos.reyes@ecoelectrica.com, felipelozada1949@gmail.com, mgrpcorp@gmail.com, victorluisgonzalez@yahoo.com, aconer.pr@gmail.com, cpares@maximosolar.com, agraitfe@agraitlawpr.com, yolanda.diaz@ddec.pr.gov, rstgo2@gmail.com, ingridmvila@gmail.com, gonzalo.rodriguez@gestampren.com, dortiz@elpuente.us, lga@elpuente.us, malu.blazquez@reimagina.pr.org, presidente@ciapr.org, sergio.gonsales@patternenergy.com, h.bobea@fonrochepr.com, lionel.orama@upr.edu, energiaverdepr@gmail.com, manuel.mata@aes.com, obed.santos@aes.com, hriviera@oipc.pr.gov, jeff.lewis@terraform.com, cfl@mcvpr.com, fortiz@reichardescalera.com, javier.adiego@x-elio.com, hjcruz@urielrenewables.com, viviana.Harrington@sunnova.com, tara.dhimitri@longroadenergy.com, rafael.quintana@aes.com, abigail.reyes@aes.com, accounting@everstreamcapital.com, Arocheleau@terraform.com, leslie@sonnedix.com, ramonluisnieves@rlnlegal.com, jczayas@landfillpr.com, auriarte@newenergypr.com, pjcleanenergy@gmail.com, Javier.ruajovet@sunrun.com, cpsmith@unidosporutuado.org, mildred@liga.coop, rodrigomasses@gmail.com, presidente@camarapr.net, norywrivera@constructorespr.net, agc@agcpr.com, jmarvel@marvelarchitects.com and presidencia-secretarias@seguros multiples.com. I also certify that today, May 20, 2019, 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:

EcoEléctrica, L.P.

Carlos A. Reyes, P.E.
Carretera 337 Km 3.7, Bo. Tallaboa
Poniente, Peñuelas, PR 00624

Felipe Lozada-Montañez

Coordinador, Mesa de Diálogo Energético
PMB 359
425 Carr. 693, Suite 1
Dorado, PR 00646

Windmar Group

Roumain & Associates, PSC
1702 Ave. Ponce de León, 2do Piso
San Juan, PR 00909

Windmar Group

Víctor González
P.O. Box 13942
San Juan, Puerto Rico 00908

Coto Laurel Solar Farm, Inc

Roumain & Associates, PSC
1702 Ave. Ponce de León, 2do Piso
San Juan, PR 00909

Coto Laurel Solar Farm, Inc

Víctor González
P.O. Box 13942
San Juan, Puerto Rico 00908



PV Properties, Inc.
Roumain & Associates, PSC
1702 Ave. Ponce de León, 2do Piso
San Juan, PR 00909

PV Properties, Inc.
Víctor González
P.O. Box 13942
San Juan, Puerto Rico 00908

**Asociación de Contratistas y
Consultores de Energía Renovable de
Puerto Rico (ACONER)**
PO Box 16714
San Juan, PR 00908-6714

Máximo Solar
Lcdo. Carlos J. Parés-Guzmán
PO Box 3062
Aguadilla, PR 00605

**Instituto de Competitividad y
Sostenibilidad Económica**
Lcdo. Fernando Agrait
701 Ave. Ponce de León
Edificio Centro de Seguros, Oficina 414
San Juan, PR 00907

**Programa Estatal de Política Pública
Energética**
Lcda. Yolanda Díaz Rivera
PO Box 41314
San Juan, PR 00940

Enlace Latino de Acción Climática
41 Calle Faragan
Urb. Chalets de Villa Andalucía
San Juan, PR 00926

Enlace Latino de Acción Climática
Lcda. Ruth Santiago
PO Box 518
Salinas, PR 00751

CAMBIO PR, Inc.
Ing. Ingrid Vila Biaggi
Calle San Pablo 116, Urb. Horizons
San Juan, PR 00926

Punta Lima Wind Farm, LLC
Sr. Gonzalo Rodríguez Tortosa
Gestamp Wind North America
5120 Woodway Drive Suite 9004
Houston, TX 77056

El Puente de Williamsburg, Inc.
211 South 4th St.
Brooklyn, New York 11211

Comité de Diálogo Ambiental, Inc.
Urb. Las Mercedes Calle 13 #71
Salinas, PR 00751



Reimagina Puerto Rico
Malu Blázquez Arsuaga
PO Box 9024240,
San Juan, PR, 00902

Colegio de Ingenieros de Puerto Rico
Ing. Pablo Pablo Vázquez Ruiz
P.O. Box 363845
San Juan, Puerto Rico 00936-3845

Pattern Santa Isabel, LLC
Sr. Sergio Gonsales
1201 Louisiana Street, Suite 3200
Houston, TX 7702

Humacao Solar Project, LLC
Sr. Hugo Bobea Rodríguez
P.O. Box 13098
San Juan, PR 00908-3098

**Instituto Nacional de Energía y
Sostenibilidad Isleña**
Lionel R. Orama Exclusa, D.Eng. P.E.
Jardín Botánico
1187 Flamboyán
San Juan, PR 00926

**Asociación Puertorriqueña de Energía
Verde**
Alan M. Rivera Ruíz
Presidente
PO Box 50688
Toa Baja, PR 00950-0688

AES Ilumina, LLC
Sr. Obed Santos
P.O. Box 1890
Guayama, Puerto Rico 00785

**Oficina Independiente de Protección
al Consumidor**
Lcda. Hannia Rivera
268 Ave. Ponce de León
Hato Rey Center, Suite 524
San Juan, PR 00918

DG Solar Lessee, LLC
Jeff Lewis
TerraForm Power
200 Liberty Street 14th Floor
New York, NY 10281

DG Solar Lessee, LLC
Lcdo. Carlos Fernández Lugo
P.O. Box 364225
San Juan, Puerto Rico 00936-4225

Gasna 18P, LLC
Lcdo. Fernando Ortiz
Sr. Javier Adiego
P.O. Box 364148
San Juan, Puerto Rico 00936-4148

San Fermín Solar Farm, LLC
Sr. Humberto J. Cruz Martínez
P.O. Box 361988
San Juan, Puerto Rico 00936

Sunnova Energy Corporation

Viviana Harrington
PO Box 56229
Houston, TX 77256-6229

SunE WMT PR2, LLC

Tara Dhimitri
Longroad Energy Holdings, LLC.
133 Federal Street, Ste 1202
Boston, MA 02110



Sunnova Management, LLC

Viviana Harrington
PO Box 56229
Houston, TX 77256-6229

AES Puerto Rico, Inc.

Rafael Quintana
Abigail Reyes
P.O. Box 1890
Guayama, Puerto Rico 00785

SunEdison Puerto Rico, LLC

Tracy Hutt
101A Clay Sreet #134
San Francisco, CA 94111

SunE W-PR1, LLC

Andrea Rocheleau
7550 Wisconsin Ave.
Bethesda, MD 20814

Horizon Energy, LLC

Oriana Energy, LLC

Sr. Leslie Hufstetler

PO Box 363991
San Juan, PR 00936-3991

Lcdo. Ramón L. Nieves Pérez

Ave. Hostos 430 (altos)
Urb. El Vedado
Hato Rey, PR 00918

Landfill Gas Technologies

Ing. José Carlos Zayas Sepúlveda
PO Box 1322
Gurabo, PR 00778

New Energy Consultants and Contractors,

LLC

Sr. Alejandro Uriarte
171 Ave. Carlos Chardon Suite 302
San Juan, PR 00918

**Solar and Energy Storage Association
of PR (SESA)**

PJ Wilson
1357 Ave Ashford, #171 San Juan PR 00907

SunRun

Javier Rúa Jovet
701 Ave. Ponce de León
Miramar, San Juan, PR 00907



Unidos por Utuado, Inc.

C.P. Smith
26 Calle Betances
Utuado, PR 00641-2864

Liga de Cooperativas de Puerto Rico

Mildred Santiago Ortiz
PO Box 360707
San Juan PR 00936

Asociación de Industriales de Puerto Rico

Rodrigo Masses
PO BOX 195477
San Juan PR 00919-5477

Cámara de Comercio de Puerto Rico

Kenneth Rivera Robles
Calle Tetuán #100
Viejo San Juan, PR 00901

Asociación de Constructores de PR

Emilio Colón
1055 Marginal Kennedy,
San Juan, 00907

Asociación de Contratistas Generales

Alejandro J. Abrams
Calle Perseo 501
Condominio Centro de Altamira Oficina 211
San Juan, PR 00920

Resilient Power Puerto Rico

Jonathan Jova Marvel
161 San Jorge Street, Suite 200
San Juan, PR 00911

Grupo Cooperativa de Seguros Múltiples

Juan A. Lugo Meléndez
PO Box 363846
San Juan, PR 00936-3846

For the record, I sign this in San Juan, Puerto Rico, today May 20, 2018.

Wanda I. Cordero Morales
Clerk