

COMMONWEALTH OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU

2019 JUL 12 AM 11:23

IN RE: REVIEW OF THE PUERTO
RICO ELECTRIC POWER
AUTHORITY INTEGRATED
RESOURCE PLAN

NO. CEPR-AP-2018-0001

SUBJECT: PREPA's Compliance
Filing re July 3, 2019, Completeness
Order

PREPA'S COMPLIANCE FILING RE JULY 3, 2019, COMPLETENESS ORDER

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority ("PREPA") and respectfully submits to the honorable Puerto Rico Energy Bureau (the "Energy Bureau") PREPA's Compliance Filing re July 3, 2019, Completeness Order.

1. The Energy Bureau's July 3, 2019, Resolution and Order on the Completeness of the June 2019 integrated resource plan ("IRP") filing contained two subsections calling for certain materials (information) by July 12, 2019, at 12:00 p.m.

2. First, Section I(B)(1) of the July 3rd Completeness order required additional information under Item 16 of Appendix B of the Energy Bureau's March 14, 2019, Resolution and Order on Completeness, which in turn referenced Regulation No. 9021, § 2.03(D)(1)(b)(xvi).

3. PREPA in compliance with that item, is submitting Attachment 1 hereto, which contains the average annual capital expenditures over the last five years in total dollars by generating facility.

4. Second, Section I(B)(4) of the July 3rd Completeness order required additional information under Item 56 of Appendix B of the Energy Bureau's March 14,

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2019, Completeness order, which in turn referenced Regulation No. 9021, § 2.03(K)(1) and did so in relation to two subjects, the first being EcoElectrica contract negotiation, and the second being energy efficiency programs.

5. PREPA in compliance with that item, is submitting Attachments 2 and 3 hereto, which contains EcoElectrica negotiation timeline information and energy efficiency program commence dates. The availability of detailed information on energy efficiency programs is constrained because, as the Energy Bureau previously has ordered and recognized; the Energy Bureau, in the 2015 IRP case, directed that the Energy Bureau would retain a third party administrator for energy efficiency programs. Also, the July 3rd Completeness Order, page 6, footnote 15, states that: "Third-party administered energy efficiency programs are expected to begin in 2020, consistent with the modeled budgets in the revised IRP."

WHEREFORE, the Puerto Rico Electric Power Authority respectfully requests that the Honorable Puerto Rico Energy Bureau accept this Compliance Filing and enter any other relief as is warranted.

RESPECTFULLY SUBMITTED,

IN SAN JUAN, PUERTO RICO, THIS 12th DAY OF JULY, 2019

PUERTO RICO ELECTRIC POWER AUTHORITY



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ATTACHMENT#1

Puerto Rico Electric Power Authority

Item 16 - Citation Section 2.03 (D) (1) (b) (xvix)

Average annual capital expenditures over the last five years in millions of dollars

Plant	(\$ in Millions)				
	2013-14	2014-15	2015-16	2016-17	2017-18
Aguirre Power Plant	29.90	12.92	17.39	23.72	1.04
Aguirre Power Plant Complex	1.63	1.39	1.85	2.54	-
Aguirre Combined Cycle	8.84	1.55	5.46	4.56	0.09
Aguirre Steam Plant	19.43	9.99	10.07	20.11	0.96
San Juan Power Plant	13.86	14.27	14.83	16.24	13.02
San Juan Power Plant Complex	0.08	0.34	-	-	-
San Juan Combined Cycle	13.25	12.61	12.54	15.15	12.72
San Juan Steam Plant	0.52	1.31	2.29	1.08	0.30
Costa Sur Power	16.20	5.69	4.16	5.33	3.44
Costa Sur Power Plant Complex	1.40	1.97	1.38	0.31	-
Costa Sur Steam Plant	14.80	3.72	2.78	5.02	3.44
Palo Seco Power Plant	4.36	4.37	5.03	4.51	10.15
Palo Seco Power Plant Complex	0.48	1.21	1.69	1.49	0.18
Palo Seco Steam Plant	3.88	3.16	3.34	3.03	9.97
Gas Turbines at Cambalache	4.51	5.25	2.61	3.94	9.00
Gas Turbines at Mayaguez	0.68	1.40	0.34	6.88	3.69
Hydro-gas	0.46	2.08	0.46	1.38	
Hydroelectric	2.39	1.06	0.67	1.38	
Culebra	1.61	0.95	0.23	0.23	0.31
Other ¹	1.16	1.23	3.78	4.77	0.69

Note 1: Include improvement project for all the facilities that included; fire protection system, water store tank, wastewater tank, pollution control project, asbesto removal, Control Emissions Monitory System and Fuel Storage Tanks, dikes and piping.

Note 2: Difference of \$3 millions is for the credit on the projects of Bechara Aerogenerador and Via Verde

Note 3: Difference of \$3.9 millions is for the credit during the fiscal year 2017-2018 that affect the fiscal year 2016-17 on the projects of improvement in the generation of the unit 2 in the steam plant of Aguirre and the acquisition of transformer on the Aguirre Combined Cycle

ATTACHMENT #2

EcoElectrica

EcoElectrica Renegotiation is an ongoing effort. Hence, there are certain aspect that have not been secured yet and as such, there is a level of uncertainty on whether the contract will be extended to modify commercial and operational terms. Given the case the contract is successfully renegotiated, here is the projected timeline:

Eco PPOA timeline (weeks ending, and subject to change due to negotiation process with counter party)	
07/26/2019	Complete Term Sheet negotiation
08/01/2019	PREPA Governing Board Term Sheet approval process
08/16/2019	PREPA Management and advisors complete PPOA language amendment
08/23/2019	PREPA Governing Board for PPOA amendment approval
08/30/2019	PREPA to present amendment to PREB and FOMB
TBD - Once all approvals obtained by PREPA Governing Board, PREB, and FOMB, execute PPOA amendment	

ATTACHMENT #3

Energy Efficiency

Energy efficiency programs were modeled as per PREB order regarding this matter. Modeling began in 2020 and extended through 2038. The rate of increase in EE was 2%. The different programs that were assessed are summarized in exhibit 2-1 of **Appendix 4 of IRP Documents – Demand Side Resources**. The timeline under consideration for each of the programs, as well as the associated costs and savings are detailed in Sections 2.1.1 through 2.1.7 of **Appendix 4**.