

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

~~NEPR~~
Received:
Aug 29, 2019
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IN RE:

**REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY
INTEGRATED RESOURCE PLAN**

CASE NO.:

CEPR-AP-2018-0001

SUBJECT:

Notice of Intent to Supplement AES Coal
Plant Conversion Assessment

**NOTICE OF INTENT TO SUPPLEMENT
AES COAL PLANT CONVERSION ASSESSMENT**

TO THE PUERTO RICO ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority through the undersigned legal representation and respectfully sets forth and pray:

1. On April 26, 2019, the Puerto Rico Energy Bureau (the “Energy Bureau”) directed PREPA to asses, based on the PREPA’s dispatch model, the economics of converting the AES generation complex to natural gas. The main purpose of the assessment is to provide high level results of the costs of undertaking the conversion and present a comparison to other options.

2. On August 23, 2019, the Puerto Rico Electric Power Authority (PREPA) filed a *Submittal of Redacted AES Coal Plant Conversion Assessment* (the submittal hereinafter referred to as the “Submittal” and the *AES Coal Plant Conversion Assessment* hereinafter referred to as the “AES Report”).¹

3. In the AES Report, PREPA, through Siemens, presents reasonable assumptions which are basically the same as in the rest of Integrated Resource Plan (IRP) case. However, PREPA believes that it must be clear to all readers that the results presented, while showing that there is a negative impact under all condition (retirement or conversion), said impact could be much higher than

¹ The Submittal included a redacted version of the AES Report. That same date, PREPA filed a *Request of Confidential Designation of Unredacted AES Coal Plan Conversion Assessment*.

estimated, if the pre-conditions on availability of generation resources (existing and new) and the expected decline in load do not materialize. Moreover, it must be clear to all readers that the dates for retirement are unrealistic and were used to keep alignment with other dates in the IRP.

4. The results of the AES Report showed that AES conversion was not selected under the scenarios and assumptions considered, with the exception of Scenario 5 Strategy 1. It also showed that there was a negative impact to Puerto Rico under all scenarios.

5. Given the potential repercussions of the results of the AES Report, PREPA believes that it is in the best interest of all parties to provide additional clarification of to the assumptions that were considered and the ones that were not. PREPA also believes that additional information will provide a better context of the results and will enable PREPA to make informed decisions within the context of the IRP case. The supplement to the AES Report will also provide better visibility to the Energy Bureau.

6. For the reasons explained, PREPA hereby informs that it will submit a supplement to the AES Report to incorporate additional information regarding the assumptions considered and furthermore, to clarify that the Report does not constitute an assessment of the impact of an early retirement of AES complex.

7. The supplement to the AES Report will be presented on or before Friday, August 30, 2019.

WHEREFORE, PREPA requests the Bureau to note the filing of the instant Notice.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 29th of August, 2019.

/s Katuska Bolaños
Katuska Bolaños
kbolanos@diazvaz.law
TSPR 18888

DÍAZ & VÁZQUEZ LAW FIRM, P.S.C.
644 Ave. Fernández Juncos
District View Plaza, Suite 301
San Juan, PR 00907-3122
info@diazvazquez.law
Tel. (787) 679-7132
Fax. (787) 919-7319

CERTIFICATE OF SERVICE

We hereby certify that, on this same date we have filed the above motion at the office of the Clerk of the Puerto Rico Energy Bureau; and a courtesy copy of the filing was sent via e-mail to the Puerto Rico Energy Bureau Clerk and internal legal counsel to: secretaria@energia.pr.gov; wccordero@energia.pr.gov; legal@energia.pr.gov; and sugarte@energia.pr.gov.

In addition, the foregoing filing was sent via e-mail to the approved or pending intervenors (Arctas, Caribe GE, League of Cooperatives and AMANESER 2025, OIPC, EcoEléctrica, Empire Gas, Environmental Defense Fund, Local Environmental Organizations, National, “Non Profits”, Progression, SESA-PR, Renew, Shell, Sunrun, Wartsila, Windmar Group) and amicus (ACONER, AES-PR, RMI) at the following e-mail addresses:

[<ASTRID.RODRIGUEZ@prepa.com>](mailto:ASTRID.RODRIGUEZ@prepa.com); [<JORGE.RUIZ@prepa.com>](mailto:JORGE.RUIZ@prepa.com);
[<NITZA.VAZQUEZ@prepa.com>](mailto:NITZA.VAZQUEZ@prepa.com); [<CARLOS.AQUINO@prepa.com>](mailto:CARLOS.AQUINO@prepa.com); acarbo@edf.org
[<acarbo@edf.org>](mailto:acarbo@edf.org); javier.ruajovet@sunrun.com [<javier.ruajovet@sunrun.com>](mailto:javier.ruajovet@sunrun.com);
pedrosaade5@gmail.com [<pedrosaade5@gmail.com>](mailto:pedrosaade5@gmail.com); rstgo2@gmail.com
[<rstgo2@gmail.com>](mailto:rstgo2@gmail.com); [<rmurthy@earthjustice.org>](mailto:rmurthy@earthjustice.org); larroyo@earthjustice.org
[<larroyo@earthjustice.org>](mailto:larroyo@earthjustice.org); [<jluebkmann@earthjustice.org>](mailto:jluebkmann@earthjustice.org);
[<carlos.reyes@ecoelectrica.com>](mailto:carlos.reyes@ecoelectrica.com); [<ccf@tcmrslaw.com>](mailto:ccf@tcmrslaw.com); rtorbert@rmi.org
[<rtorbert@rmi.org>](mailto:rtorbert@rmi.org); victorluisgonzalez@yahoo.com [<victorluisgonzalez@yahoo.com>](mailto:victorluisgonzalez@yahoo.com);
mgrpcorp@gmail.com [<mgrpcorp@gmail.com>](mailto:mgrpcorp@gmail.com); [<hrivera@oipc.pr.gov>](mailto:hrivera@oipc.pr.gov); jrivera@cns1pr.com
[<jrivera@cns1pr.com>](mailto:jrivera@cns1pr.com); manuelgabrielfernandez@gmail.com
[<manuelgabrielfernandez@gmail.com>](mailto:manuelgabrielfernandez@gmail.com); [<axel.colon@aes.com>](mailto:axel.colon@aes.com); acasellas@amgprlaw.com
[<acasellas@amgprlaw.com>](mailto:acasellas@amgprlaw.com); corey.brady@weil.com [<corey.brady@weil.com>](mailto:corey.brady@weil.com);
maortiz@lvprlaw.com [<maortiz@lvprlaw.com>](mailto:maortiz@lvprlaw.com); rnegron@dnlawpr.com
[<rnegron@dnlawpr.com>](mailto:rnegron@dnlawpr.com); paul.demoudt@shell.com [<paul.demoudt@shell.com>](mailto:paul.demoudt@shell.com);
escott@ferraiuoli.com [<escott@ferraiuoli.com>](mailto:escott@ferraiuoli.com); [<aconer.pr@gmail.com>](mailto:aconer.pr@gmail.com);
agraitfe@agraitlawpr.com [<agraitfe@agraitlawpr.com>](mailto:agraitfe@agraitlawpr.com); presidente@ciapr.org
[<presidente@ciapr.org>](mailto:presidente@ciapr.org); castrodiieppalaw@gmail.com [<castrodiieppalaw@gmail.com>](mailto:castrodiieppalaw@gmail.com);
voxpathulix@gmail.com [<voxpathulix@gmail.com>](mailto:voxpathulix@gmail.com); [<cfl@mcvpr.com>](mailto:cfl@mcvpr.com); [<sierra@arctas.com>](mailto:sierra@arctas.com);
tonytorres2366@gmail.com [<tonytorres2366@gmail.com>](mailto:tonytorres2366@gmail.com); [<info@liga.coop>](mailto:info@liga.coop);
amaneser2020@gmail.com [<amaneser2020@gmail.com>](mailto:amaneser2020@gmail.com); [<csanchez@energia.pr.gov>](mailto:csanchez@energia.pr.gov);
[<ireyes@energia.pr.gov>](mailto:ireyes@energia.pr.gov); [<asanz@energia.pr.gov>](mailto:asanz@energia.pr.gov); [<bmulero@energia.pr.gov>](mailto:bmulero@energia.pr.gov);
[<nnunez@energia.pr.gov>](mailto:nnunez@energia.pr.gov); [<galdonado@energia.pr.gov>](mailto:galdonado@energia.pr.gov); [<viacaron@energia.pr.gov>](mailto:viacaron@energia.pr.gov).

In San Juan, Puerto Rico, this 29th of August, 2019.

/s Katuska Bolaños
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