

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

ORSP - SECRETARIA  
NEGOCIADO DE ENERGIA  
DE PUERTO RICO

2019 AUG -2 PM 3: 26

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

**CASE No.:** CEPR-AP-2018-0001

**SUBJECT:** Motion to Intervene

**MOTION TO INTERVENE**

TO THE HONORABLE ENERGY BUREAU:

Comes now, Caribe GE International Energy Services, Corp. ("Caribe GE"), through the undersigned legal counsel, and very respectfully moves the Energy Bureau as follows:

**I. INTRODUCTION**

1. Pursuant to Section 6.23 of Act No. 57 of May 27, 2014, known as *the Puerto Rico Energy Transformation and RELIEF*, as amended ("Act 57-2014"), and Section 6B of Act No. 83 of May 2, 1941, known as the *Electric Power Authority Act*, as amended ("Act 83-1941"), the Puerto Rico Electric Power Authority ("PREPA") must prepare and implement an Integrated Resource Plan ("IRP") subject to the evaluation and approval of the Energy Bureau of the Puerto Rico Public Service Regulatory Board. The IRP must be consistent with Section 1.9 of Act No. 17-2019, also known as the *Puerto Rico Energy Public Policy Act*, ("Act 17-2019").<sup>1</sup>
2. Sections 6.23 of Act 57-2014 and 6B of Act 83-1941, further require the adoption of the necessary rules for the elaboration, presentation, evaluation, and approval of IRPs. In

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<sup>1</sup> Sections 6.23(a) of Act 57-2014 and 6B of Act 83-2014.

accordance with such mandate, the PREB adopted Regulation No. 9021, *Regulation on Integrated Resource Plan for the Puerto Rico Electric Power Authority*, April 24, 2018 ("Regulation 9021").

3. The purpose of Regulation 9021 is to ensure that the IRP serves as an adequate and useful tool to guarantee the orderly and integrated development of Puerto Rico's electric power system, and to improve the system's reliability, efficiency, and transparency, as well as the provision of electric power services at reasonable prices.
4. The IRP must "include an assessment of the planning environment, a careful and detail study of a range of future load forecasts, present generation resources, present demand resources, current investments in electricity conservation technologies, existing transmission and distribution facilities, and the relevant forecast and scenario analyses in support of PREPA's resource plan."<sup>2</sup> In essence, the IRP is the document that will describe how the demand for electricity over the next 20 years will be satisfied.
5. On June 7, 2019, PREPA filed before the PREB a draft IRP for its evaluation and approval ("draft IRP").
6. On July 3, 2019, the PREB issued a Resolution and Order ("PREB Order") in which it found that, upon reviewing the draft IRP and the documents related thereto subsequently filed by the PREPA, said entity had complied with the applicable IRP filing requirements of Regulation No. 9021 and established a calendar for these proceedings.<sup>3</sup>
7. The PREB Order further provides that any interested person may file a petition to

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<sup>2</sup> Section 1.03 of Regulation 9021.

<sup>3</sup> Additional filings were made by the PREPA in order to comply with IRP filing requirements pursuant to Regulation 9021, among these, *PREPA's Cover Filing, Updated List of Documents Filed or Submitted, and Motions* filed on June 14, 2019.

intervene, no later than August 2, 2019.<sup>4</sup> Pursuant to the PREB Order, the petition to intervene must comply with Section 5.05 of Regulation No. 8543, *Regulation on Adjudicative, Notice of Noncompliance, Rate Review and Investigation Procedures*, December 18, 2014, ("Regulation 8543"), and the party seeking to intervene must demonstrate that it has a substantial interest in the proceeding.<sup>5</sup>

8. In turn, Section 5.05 of Regulation 8543 requires the PREB to evaluate the petition to intervene in accordance with Sections 3.5 and 3.6 of Act 38-2017, also known as the *Uniform Administrative Procedure Act* ("UAPA"), and its interpretive case law.<sup>6</sup>
9. Pursuant to Section 3.5 of the UAPA, the petition to intervene must be duly grounded and filed in writing before the PREB, which, in turn, may grant or deny the same taking the following factors into consideration, among others:
  - a) Whether the petitioner's interests may be adversely affected by the administrative proceeding.
  - b) Whether there are no other legal means for the petitioner to adequately protect its interests.
  - c) Whether the petitioner's interests are already adequately represented by other parties in the proceeding.
  - d) Whether the petitioner's participation may help, within reason, to prepare a more complete record.
  - e) Whether the petitioner's participation may extend or delay the proceeding excessively.
  - f) Whether the petitioner represents or is the spokesperson of other groups or entities in the community.
  - g) Whether the petitioner can contribute information, expertise, specialized knowledge or technical advice which is otherwise not available in the proceeding.

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<sup>4</sup> See also Section 3.03(A) of Regulation 9021.

<sup>5</sup> See also Section 3.03(B) of Regulation 9021.

<sup>6</sup> *Id.*



10. The PREB must apply liberally the above referenced criteria and may request additional evidence in order to issue its determination.<sup>7</sup>
11. In light of the foregoing and for the reasons explained below, Caribe GE hereby petitions the PREB to allow its intervention in the IRP proceedings.

## **II. BASIS FOR CARIBE GE'S INTERVENTION**

12. Caribe GE is a corporation organized under the laws of Puerto Rico, Department of State Registry No. 124198. It is part of the American multinational conglomerate General Electric, which operates through multiple subsidiaries worldwide and provides services and products ranging from power generation, and oil and gas production equipment to medical imaging, financing and industrial products. The company's segments include Power, Renewable Energy, Grid Solutions, Oil & Gas, Aviation, Healthcare, Transportation, Energy Connections & Lighting, and Capital.<sup>8</sup> As such, all references herein to Caribe GE consider and shall also be deemed to include the experience, expertise and capabilities of its affiliates which are part of the same economic group.
13. Caribe GE has extensive knowledge and experience in the energy industry, among other things: (1) power generation, including thermal efficiency and flexible combined cycle power plants designed to support increasing renewable penetration; (2) energy storage ; (3) planning, design, and operation of interconnected power systems; (4) power plant testing for grid code compliance; (5) grid code and technical standards development (e.g. with NERC and IEEE); (6) smart grids, microgrids and grid

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<sup>7</sup> Section 3.5 of the UAPA.

<sup>8</sup> <https://www.ge.com/products>

resiliency; (7) transmission interconnection analysis; (8) wind and solar integration into grids ; and (9) technology capable of providing ancillary services with high renewable penetration, and (10) power converters for solar farms .

14. Moreover, since its establishment in Puerto Rico, Caribe GE has been providing service to steam turbines, gas turbines and power generation equipment, which includes parts, repairs and field services, at various PREPA facilities, including Palo Seco, Aguirre, Costa Sur, Cambalache, Dagua, Jobos, Vega Baja and Yabucoa.
15. In addition, Caribe GE provides services to PREPA's electrical transmission and distribution network equipment, which may include distribution transformers, substation transformers, generator step-up transformers and autotransformers, remote terminal units (RTUs), protection relays, high voltage capacitors and gas insulated substations (GIS).
16. In other words, Caribe GE's operations are intrinsically connected with PREPA's power generation, transmission and distribution systems. As such, the draft IRP will, in many ways, have an impact on Caribe GE's operations and business.
17. From a preliminary review, however, it appears that certain portions of the draft IRP have been prepared in a rather prescriptive and limiting fashion, thereby essentially specifying equipment and technologies. This approach is contrary to Regulation 9021, which mandates a broad review of all options that may reasonably serve applicable requirements, all in furtherance of the overarching goals: improving "the system's reliability, resiliency, efficiency, and transparency, as well as the provision of electric power services at reasonable prices."<sup>9</sup> With respect to new resource options, for

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<sup>9</sup> Regulation 9021, Section 1.03.

example, Regulation 9021 requires PREPA to “identify and evaluate a wide range of new supply-side resource options, including renewable and non-renewable options, to be used in the development of the IRP.”<sup>10</sup> If PREPA excludes options it must specifically explain why such options are off the table: “While PREPA may designate specific options as not feasible for future development, such designations must be accompanied by a clear and comprehensive explanation that justifies PREPA’s determination on the basis of cost, resource availability or engineering feasibility.”<sup>11</sup>

18. This “prescriptive” approach may result in the exclusion – to Caribe GE and the public’s detriment – of potentially more affordable, reliable and efficient equipment and technologies that are presently available to PREPA. Thus, Caribe GE’s legitimate interests may be adversely affected by these proceedings.
19. Moreover, as explained above, Caribe GE’s ample experience and knowledge in energy generation, storage, transmission and distribution systems and technologies, including the technical issues involved in the IRP review process, will help the PREB prepare a more complete and comprehensive record.
20. In addition, Caribe GE’s experience working with PREPA power and transmission systems will allow it to contribute in the analysis and evaluation of important features of the IRP review process in a proficient manner.
21. Caribe GE understands the significance and importance of complying with the IRP procedural schedule established in the PREB Order and, therefore, will work diligently throughout the process in order to avoid unwarranted delays and extensions.
22. Caribe GE does not represent nor is it the spokesperson of the other groups or

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<sup>10</sup> Id., Section 2.03(F)(1).

<sup>11</sup> Id.



entities, other than its own economic group, General Electric. Moreover, its rights and interests cannot be adequately represented by another party participating as an intervener.

23. Due to the nature of the 2019 IRP review process and implications of its approval, there are is no other legal procedure available for Caribe GE to protect its interest than to intervene in the same.

WHEREFORE, Caribe GE respectfully requests the PREB to grant its motion and authorize its intervention in the captioned IRP proceedings.

I HEREBY CERTIFY that a copy of this document has been notified on this date via email to the following:

1. Puerto Rico Electric Power Authority to the following persons: n-vazquez@aeepr.com, astrid.rodriguez@prepa.com, c-aquino@prepa.com and Jorge.ruiz@prepa.com
2. Environmental Defense Fund: acarbo@edf.org
3. EcoElectrica L.P.: ccf@tcmrslaw.com
4. Comité de Diálogo Ambiental, Inc., El Puente Williamsburg, Inc. – Enlace Latino de Acción Climática, Comité Yabucoño Pro-Calidad de Vida, Inc., Alianza Comunitaria Ambientalista del Sureste, Inc., Sierra Club and its Puerto Rico Chapter, Mayagüezanos por la Salud y el Ambiente, Inc., Coalición de Organizaciones Anti-Incineración, Inc., Amigos del Río Guaynabo, Inc. Campamento Contra las Cenizas de Peñuelas, Inc. and CAMBIO Puerto Rico ("Local Environmental Organizations"): pedrosaade5@gmail.com, rstgo2@gmail.com and larroyo@earthjustice.org
5. Sunrun, Inc.: Javier.ruajovet@sunrun.com
6. AES-Puerto Rico, LP: axel.colon@aes.com
7. Consumer's Protection Independent Office ("OIPC"): hrivera@oipc.p.gov and jrivera@cnslpr.com
8. Empire Gas Company, Inc.: manuelgabrielfernandez@gmail.com
9. PV Properties, Inc., Windmar Renewable Energy, Inc. and Coto Laurel Solar Farm, Inc.: mgrpccorp@gmail.com

I also certify that, on this date, I have sent a true and exact copy of this Petition to:

10. Rocky Mountain Institute  
Attn: Richenda Van Leeuwen  
2490 Junction Place, Suite 200, Boulder, CO 80301

Respectfully submitted in San Juan, Puerto Rico, this 2nd day of August, 2019.

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