

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

NEPR

Received:

Aug 2, 2019

4:55 PM

IN RE:

INTEGRATED RESOURCE PLAN
FOR THE PUERTO RICO
ELECTRIC POWER AUTHORITY

NO. CEPR-AP-2018-0001

SUBJECT: PETITION OF WÄRTSILÄ
NORTH AMERICA, INC. TO
INTERVENE

PETITION OF WÄRTSILÄ NORTH AMERICA, INC. TO INTERVENE

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW Wärtsilä North America, Inc. (“Wärtsilä”) and respectfully submits the instant Petition of Wärtsilä North America, Inc. to Intervene, pursuant to Section 3.03 of Regulation No. 9021, known as the Regulation on Integrated Resource Plan (IRP) for the Puerto Rico Electric Power Authority (“PREPA”), and Section 5.05 of Regulation 8543, known as the Regulation on Adjudicative, Notice of Noncompliance, Rate Review and Investigation Procedures.

Section 3.03 of Regulation No. 9021 references Section 3.5 of Act 38-2017, which evaluates a petition to intervene on the following points:

- 1) Whether the petitioner’s interests may be adversely affected by the proceeding;
- 2) Whether there are no other means in law for the petitioner to adequately protect its interest;
- 3) Whether the petitioner’s interest is already adequately represented by the parties to the proceeding;
- 4) Whether the petitioner’s participation can reasonably assist in preparing a more complete record of the procedure;

- 5) Whether the petitioner's participation may extend or excessively delay the procedure;
- 6) Whether the petitioner represents or is a spokesperson for other groups or entities of the community; and
- 7) Whether the petitioner may provide information, expertise, or technical advice that would not otherwise be available in the proceeding.

I. **Whether the Petitioner's Interest may be Adversely Affected by the Proceeding and Whether There are No Other Means in Law for the Petitioner to Adequately Protect its Interest**

Wärtsilä is a company registered in Maryland, with its principal place of business in Houston, Texas. Wärtsilä is leading the transition towards a 100% renewable energy future. Wärtsilä understands, designs, builds and serves optimal power systems for future generations. Wärtsilä's solutions provide the needed flexibility to integrate renewables and secure power system reliability. Wärtsilä's offerings comprise engine-based flexible power plants – including liquid gas systems – hybrid solar power plants, and energy storage and integration solutions. Wärtsilä supports its customers over the lifecycle of their installations with services that enable increased efficiency and guaranteed performance. Wärtsilä has 70 GW of installed power plant capacity in 177 countries around the world.

Wärtsilä's engine power plants are tailored according to the specific requirements of the customer, utilizing modular products and services. The delivery scope ranges from equipment deliveries to complete engineering, procurement and construction (EPC) projects, supported by superior project management capabilities. Wärtsilä's solutions provide the best means for supporting power systems by offering the highest degree of flexibility, enabling major savings, and creating an optimized response to rapid changes in intermittent generation.

Wärtsilä is well-known for the use of reciprocating internal combustion engine, referred to in the IRP as RICE. The RICE technology is an alternative to gas turbine technology and provides

several benefits as compared to gas turbines. For instance, the RICE engines are typically significantly more efficient compared to similar size gas turbines. In addition, RICE engines tolerate more starts and stops, as well as ramping power up or down much more than gas turbines. RICE engines are also less sensitive to variations in fuel quality, or ambient conditions such as temperature. RICE engines can be dual fuel and can switch fuel even without stopping. Large RICE engine power plants can be built in less than half the time it takes to build a similar size combined cycle gas turbine (“CCGT”) power plant and at a lower cost. As a result of these comparative advantages, Wärtsilä is able to be more flexible and precise in meeting certain of PREPA’s needs.

This proceeding will determine the extent to which PREPA will include RICE within the scope of generation resources in its future planning. However, the IRP includes inaccurate information with respect to both RICE and to Wärtsilä. This inaccurate information forms the basis of erroneous conclusions that would preclude this technology used by Wärtsilä from being included among the generation resources for the entire time span of the IRP. Thus, Wärtsilä has an interest in this proceeding to ensure that the RICE technology is properly included for consideration by PREPA so that the benefits of that technology may be brought to Puerto Rico and included in the planning process for the next twenty years that is being considered by the Puerto Rico Energy Bureau (the “Bureau”).

Wärtsilä’s interests will be adversely affected by this proceeding if it is not permitted to provide accurate information about the RICE technology, including accurate performance and cost information. Wärtsilä is uniquely qualified to provide this information. Indeed, at several places in the IRP, information is attributed to or represented as from Wärtsilä, however, the information included has not been provided by Wärtsilä. Wärtsilä has informally attempted to provide accurate

information for inclusion in the IRP but those efforts were not successful. In addition, this is the only proceeding that will determine the planning process for Puerto Rico's electric power system for the next twenty years. There are no other means in law to protect Wärtsilä's interests if it does not participate in this proceeding. Wärtsilä seeks to intervene in this proceeding to provide accurate information for consideration and to ensure that an accurate record is developed. Thus, Wärtsilä's interests may be directly adversely affected by this proceeding and there are no other means in law for Wärtsilä to protect its interests.

II. **Whether the Petitioner's Interest is Already Adequately Represented by the Parties to the Proceeding and Whether the Petitioner Represents or is a Spokesperson for Other Groups or Entities of the Community**

Wärtsilä's interest in this proceeding is not adequately represented by the parties to the proceeding. Although there are several references to Wärtsilä and RICE in the IRP, several of those references are inaccurate or incomplete, which demonstrates that Wärtsilä's interest has not already been adequately represented. The IRP reflects that its interest has not been and will not be adequately represented unless Wärtsilä is permitted to participate in this proceeding as an intervenor.

Wärtsilä is not a spokesperson for any other group or entities in the community. In addition, there is no other group or entity that is a spokesperson for Wärtsilä. In that regard, Wärtsilä seeks to represent directly its interests in this proceeding and is not represented by any other group.

III. **Whether the Petitioner's Participation Can Reasonably Assist in Preparing a More Complete Record of the Procedure**

Wärtsilä seeks to intervene and participate fully in this proceeding to assist in preparing an accurate and more complete record. Wärtsilä intends to actively participate in discovery and to submit testimony that will include correct and complete information regarding RICE with respect

to technology, performance and cost, among other issues that are inaccurately or incompletely addressed in the IRP. Wärtsilä's direct participation will ensure that information that is attributed to it has been provided directly by Wärtsilä and will ensure that information that Wärtsilä has previously sought to provide is included in the record so that the record may be complete.

IV. Whether the Petitioner may Provide Information, Expertise, or Technical Advice that Would Not Otherwise be Available in the Proceeding

Wärtsilä will provide information, expertise, and technical advice that would not otherwise be available. As one of the largest manufacturers in the world of RICE technology for utility-scale power generation, Wärtsilä is in the best position to provide information about the RICE technology. Although the IRP notes that it has received information from vendors, the accurate and complete information from Wärtsilä has not been included thus far. Wärtsilä has the technical advice and expertise regarding RICE that should be considered so that certain of the incorrect conclusions in the IRP may be corrected. Thus, Wärtsilä will provide not only information, expertise and technical advice but also assist with certain of the policy and legal positions to be considered by the Bureau.

V. Whether the Petitioner's Participation May Extend or Excessively Delay the Procedure

Granting Wärtsilä petition to intervene will not extend or delay this proceeding. PREPA filed its revised IRP on June 7, 2019. Wärtsilä filed this petition to intervene in a timely manner by the procedural deadline of August 2, 2019 for submitting Requests for Intervention. The Bureau's review of the IRP is in its early stages. Wärtsilä will participate in this proceeding within the scheduled timeline for the proceeding. Wärtsilä does not seek to prolong or delay the Bureau's review of PREPA's IRP.

WHEREFORE, WÄRTSILÄ respectfully requests that the Bureau grant this Petition to Intervene.

RESPECTFULLY SUBMITTED,

IN SAN JUAN, PUERTO RICO, THIS 2ND DAY OF AUGUST 2019.

WÄRTSILÄ NORTH AMERICA, INC.



Eugene Scott Amy
TSPR-RUA No. 13235
Ferraiuoli LLC
221 Ponce de León Avenue, Suite 500
San Juan, PR 00917
Tel. 787.766.7000
Email: escott@ferraiuoli.com

FILING AND SERVICE CERTIFICATION

I hereby certify that on August 2, 2019, I have sent the above Petition to Intervene to the Puerto Rico Energy Bureau through its electronic filing tool at <https://radicacion.energia.pr.gov>. A copy of this Petition to Intervene was also noticed by electronic e-mail to the Puerto Rico Energy Bureau's Clerk at secretaria@energia.pr.gov and wcordero@energia.pr.gov; the Bureau's Office of Legal Affairs to legal@energia.pr.gov and sugarte@energia.pr.gov; to the Independent Consumer Protection Office to Hannia Rivera at hrivera@oipc.pr.gov and the State Office of Energy Public Policy to Wilma I. López Mora at wilma.lopez@ae.pr.gov; and to the Puerto Rico Electric Power Authority to the following: Nitza D. Vázquez Rodríguez (n-vazquez@aepr.com); Astrid I. Rodríguez Cruz (astrid.rodriguez@prepa.com); and Jorge R. Ruiz Pabón (jorge.ruiz@prepa.com).



Eugene Scott Amy
TSPR-RUA No. 13235
Ferraiuoli LLC
221 Ponce de León Avenue, Suite 500
San Juan, PR 00917
Tel. 787.766.7000
Email: escott@ferraiuoli.com