

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

JRSP - SECRETARIA
NEGOCIADO DE ENERGIA
DE PUERTO RICO

2019 AUG -8 AM 11:45

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

NO. CEPR-AP-2018-0001

SUBJECT: PREPA's Compliance
Filing re August 6, 2019, Order

PREPA'S COMPLIANCE FILING RE AUGUST 6, 2019, 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 August 6, 2019, Order.

1. On July 31, 2019, PREPA filed a compliance filing that included a copy of its signed Contract with Siemens PTI, PREPA's independent integrated resource plan ("IRP") experts and a copy of Contract Release 9 ("CR-9") under the Contract.

2. One of the items in CR-9 is: "Task 3: Additional Aurora Nodal Analysis." Task 3 is described as: "PREPA requested an assessment of a single year Aurora Nodal runs on the base plan to assess the impact of 3x60 MW of storage at Yabucoa, Sabana Llana and Bayamon, to assess the savings that these additions will have on the operating costs due to its contribution to reserves and in general the optimization of dispatch."

3. On August 6, 2019, the Energy Bureau issued its Resolution and Order that, among other things, acknowledged receipt of the signed Siemens contract and approved CR-9 subject to PREPA providing additional information on Task 3 on or before August 9, 2019.

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4. PREPA now provides the following additional information. The primary focus of the Siemens Contract is Siemens work on the 2018 IRP. However, as PREPA has noted in prior filings, Siemens, under the Contract, also provides other expert technical support to PREPA. For example, PREPA's July 11, 2019, compliance filing states in part: "The [Siemens contract] involves ... work by Siemens PTI primarily on this IRP case, but also involves work by Siemens PTI to support PREPA responses to Financial Oversight and Management Board ("FOMB") directives and requests and Siemens' provision of technical expertise in support of PREPA on planning items, most often to PREPA's Planning directorate."

5. The Planning process often involves the consideration of proposals and conceptual projects that have to be studied with some degree of detail in order to be deemed feasible. After this is done, then other considerations such as costs, alignment with strategic goals and environmental concerns can be integrated to the evaluation process. In this case, production costs analysis is done with specialized software that requires technical staff that PREPA currently does not have.

Task 3 is an item that was requested of Siemens by PREPA's Planning directorate to support the Planning function and not necessarily the IRP although the resulting information may be useful in relation to the IRP as well. Information on potential cost savings, contribution to reserves, and optimization of dispatch due to the specified storage scenario are kinds of information that are useful for the Planning function to pursue further study efforts if results seem positive.

RESPECTFULLY SUBMITTED;

IN SAN JUAN, PUERTO RICO, THIS 8th DAY OF AUGUST, 2019

PUERTO RICO ELECTRIC POWER AUTHORITY



Nitzza D. Vázquez Rodríguez

TSPR No. 9311

Senior Attorney

Puerto Rico Electric Power Authority

P.O. Box 363928

San Juan, Puerto Rico 00936-3928

Tel. 787-521-4499

Email: n-vazquez@aepr.com

CERTIFICATION OF FILING AND SERVICE

I hereby certify that on August 8, 2019, I have filed the above Partial Compliance Filing with the Puerto Rico Energy Bureau at the office of the Clerk of the Puerto Rico Energy Bureau; and, that courtesy copy of the Filing was sent via email to the Puerto Rico Energy Bureau Clerk and internal legal counsel via email to secretaria@energia.pr.gov, wcordero@energia.pr.gov, legal@energia.pr.gov, and sugarte@energia.pr.gov.

In addition, the foregoing Filing was, on August 8, 2019, sent via email to the approved or pending intervenors (Arctas, Caribe GE, League of Cooperatives and AMANESER 2025, OIPC, EcoElectrica, 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 email addresses: sierra@arctas.com, tonytorres2366@gmail.com, cfl@mcvpr.com, gnr@mcvpr.com, info@liga.coop, amaneser2020@gmail.com, hrivera@oipc.pr.gov, jrivera@cnsipr.com, carlos.reyes@ecoelectrica.com, ccf@tcmrslaw.com, manuelgabrielfernandez@gmail.com, acarbo@edf.org, pedrosaade5@gmail.com, rmurthy@earthjustice.org, rstgo2@gmail.com, larroyo@earthjustice.org, juebkemann@earthjustice.org, acasellas@amgprlaw.com, loliver@amgprlaw.com, epo@amgprlaw.com, rob.berezin@weil.com, marcia.goldstein@weil.com, jonathan.polkes@weil.com, gregory.silbert@weil.com, agraitfe@agraitlawpr.com, maortiz@lvprlaw.com, rnegron@dnlawpr.com, cfl@mcvpr.com, castrodieppalaw@gmail.com, voxpopolix@gmail.com, paul.demoud@shell.com, javier.ruajovet@sunrun.com, escott@ferraiuoli.com, mgrpcorp@gmail.com, aconer.pr@gmail.com, axel.colon@aes.com, rtorbert@rmi.org.

PREPA does not yet know what email address to use for intervenor CIAPR.

Please advise PREPA of any needed corrections or changes to the above email address list.



Nitza D. Vázquez Rodríguez

TSPR No. 9311

Senior Attorney

Puerto Rico Electric Power Authority

P.O. Box 363928

San Juan, Puerto Rico 00936-3928

Tel. 787-521-4499

Email: n-vazquez@aeep.com