



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

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

CASE NO.: CEPR-AP-2018-0001

SUBJECT: PREPA's Compliance Filing re
July 16, 2019, Order and Motion for
Reconsideration of Fine.

RESOLUTION AND ORDER

On August 1, 2019, the Puerto Rico Electric Power Authority ("PREPA") filed before the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") a document titled *PREPA's Compliance Filing re July 16, 2019, Order and Motion for Reconsideration of Fine* ("Motion"). Through its Motion, PREPA (i) submitted a copy of the signed Siemens PTI contract amendment; (ii) submitted a copy of the Contract Release 9 ("CR-9"); and (iii) requested reconsideration of the five thousand dollars (\$5,000.00) fine imposed by the Energy Bureau in its July 23, 2019 Resolution and Order¹ in the instant case.

The July 16, 2019 Resolution and Order² in the instant case authorized PREPA to amend the Siemens contract, up to \$750,000.00. Furthermore, the Energy Bureau established that such authorization was conditioned to PREPA filing all subsequent Contract Releases at least ten (10) days prior to the expected start date.

As part of its Motion, PREPA submitted a copy of its signed contract with Siemens, executed on July 30, 2019. Additionally, PREPA included a copy of the CR-9, which contains the details required by the July 16 Resolution and Order. PREPA states that it is prudent and essential for the CR-9 to be signed before the ten-day term established in the July 16 Resolution and Order to continue the pending work. Therefore, PREPA requested a waiver of such requirement.

In light of the above, the Energy Bureau **TAKES NOTICE** of the signed contract. Upon review of PREPA's arguments, the Energy Bureau **GRANTS** PREPA a waiver with respect to the provision to file this Contract Release ten days prior to the scheduled execution. As such, the Energy Bureau **GRANTS** PREPA leave to execute the CR-9. This approval is conditioned on PREPA providing, **on or before August 9, 2019**, additional information regarding the CR-9, Task 3: Additional Aurora Nodal Analysis. The purpose of this task is not clear, therefore

¹ See Resolution and Order, PREPA's Motion for Extension of Time Due to Status of Proposed Contract Amendment, Case No. CEPR-AP-2018-0001, *In Re: Review of the Puerto Rico Electric Power Authority Integrated Resource Plan*, July 23, 2019.

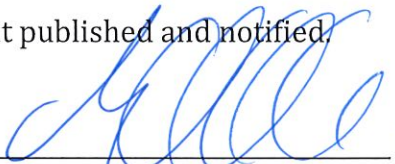
² See Resolution and Order, PREPA's Interim Compliance Filing Re July 9, 2019, Order, and Motion for Reconsideration on General or Interim Basis, Case No. CEPR-AP-2018-0001, *In Re: Review of the Puerto Rico Electric Power Authority Integrated Resource Plan*, July 16, 2019.



PREPA must justify its need. The Energy Bureau **WARNS** that subsequent noncompliance with the provision to file the Contract Releases ten days prior to the scheduled execution will result in the automatic imposition of an administrative fine of five thousand dollars (\$5,000.00) per day.

Finally, through its Motion, PREPA requests the Energy Bureau to reconsider the fine imposed in the July 23, 2019 Resolution and Order. PREPA states that the extensive work regarding the AES fuel conversion assessment was not performed earlier due to practical reasons related to work priorities and delays of the approval of the Siemens contract. Upon review of PREPA's arguments, the Energy Bureau **DENIES** PREPA's request. PREPA is **ORDERED** to, within fifteen (15) days of the notification of this Resolution and Order, pay the fine imposed in the July 23 Resolution and Order with the Energy Bureau's Clerk.

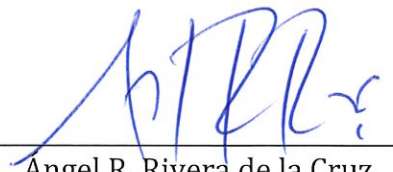
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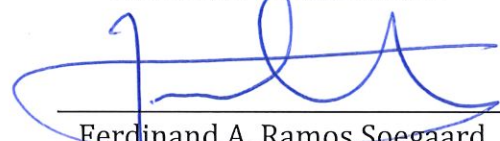
Edison Avilés Deliz
Chairman



Lillian Mateo Santos
Associate Commissioner



Angel R. Rivera de la Cruz
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Ferdinand A. Ramos Soegaard
Associate Commissioner



CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on August 6, 2019.

Chairman Avilés Deliz reaffirms his position regarding the imposition of the administrative fine, as stated in the July 23 Resolution and Order.

I also certify that on August 6, 2019 a copy of this Resolution and Order was notified by electronic mail to the following: astrid.rodriguez@prepa.com, jorge.ruiz@prepa.com, n-vazquez@aeepr.com, c-aquino@prepa.com, acarbo@edf.org, javier.ruajovet@sunrun.com, pedrosaade5@gmail.com, rstgo2@gmail.com, rmurthy@earthjustice.org, larroyo@earthjustice.org, jluebkmann@earthjustice.org, carlos.reyes@ecoelectrica.com, ccf@tcmrslaw.com, rtorbert@rmi.org, victorluisgonzalez@yahoo.com, mgrpcorp@gmail.com, hriviera@oipc.pr.gov, jrivera@cnsipr.com, manuelgabrielfernandez@gmail.com, axel.colon@aes.com, 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, maortiz@lvprlaw.com, rnegron@dnlawpr.com, paul.demoudt@shell.com, escott@ferraiuoli.com, aconer.pr@gmail.com, agraitfe@agraitlawpr.com. I also certify that today, August 7, 2019, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau and I have sent a true and exact copy:

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I sign this in San Juan, Puerto Rico, today August 6, 2019.


Wanda I. Cordero Morales
Clerk