

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

JHSP - SECRETARIA  
NEGOCIADO DE ENERGIA  
DE PUERTO RICO

2019 DEC -9 PM 3: 08

**IN RE:** REQUEST FOR APPROVAL OF  
AMENDED AND RESTATED POWER  
PURCHASE AND OPERATING  
AGREEMENT WITH ECOELÉCTRICA  
AND NATURAL GAS SALE AND  
PURCHASE AGREEMENT WITH  
NATURGY

**CASE NO.:**

NEPR-AP-2019-0001

**SUBJECT:**

Resolution and Order on the Puerto Rico  
Electric Power Authority's Request for  
Approval of Amended and Restated Power  
Purchase Agreement with Eco Eléctrica and  
Natural Gas Sale and Purchase Agreement  
with Naturgy; Request for Confidential  
Treatment

**REQUEST FOR RECONSIDERATION OF RESOLUTION AND ORDER ON DENIAL  
WITHOUT PREJUDICE OF APPROVAL OF AMENDED AND RESTATED POWER  
PURCHASE AND OPERATING AGREEMENT WITH ECOELÉCTRICA AND  
NATURAL GAS SALE AND PURCHASE AGREEMENT WITH NATURGY**

**TO THE PUERTO RICO ENERGY BUREAU:**

**COMES NOW** the Puerto Rico Electric Power Authority (herein "PREPA") through the undersigned legal representation and respectfully sets forth and pray:

**I. Introduction and Procedural Background**

On September 23, 2016, with an effective date of March 13, 2017, PREB approved PREPA's first Integrated Resource Plan ("IRP") ("First IRP") in compliance with the Puerto Rico Energy Transformation and RELIEF Act, ("Act 54-2017"). As a result of the effects of Hurricanes Irma and Maria had on Puerto Rico's electrical system, on June 7, 2019 PREPA filed a proposed amendment to the IRP as part of case docket *In Re: Review of the Puerto Rico Electric Power*

*Authority Integrated Resource Plan*, Case No. CEPR-AP-2018-0001. At present the First IRP is the current IRP in effect. On November 5, 2019, PREPA asked the Energy Bureau to review and approve an Amended and Restated Power Purchase and Operating Agreement between EcoEléctrica, L.P. ("EcoEléctrica") and PREPA, and an Amended and Restated Natural Gas Sale and Purchase Agreement between Naturgy Aprovevisionamientos, S.A. ("Naturgy") and PREPA, (together the "Agreements"). As part of its submission to PREB, PREPA thoroughly explained the details of the transaction, its compliance with the Puerto Rico Energy Public Policy Act approved April 11, 2019 ("Act 17-2019") and the current and proposed IRP. Of greater importance, PREPA demonstrated that the Agreements fully contemplate and allow for the aggressive introduction of renewables as required by Act 17-2019 and the Renewable Portfolio Standards of Act 82-2010. Further, the Agreements will enhance the flexibility, reliability and resilience of Puerto Rico's electrical grid and will yield immediate savings for PREPA costumers at a rate of an estimated \$100 million per year.

On November 27, 2019, without evaluating the merits of the transaction, the PREB denied without prejudice PREPA's request and entered Resolution and Order granting PREPA leave to refile its Petition *after* PREB issues a Final Resolution regarding the proposed Integrated Resource Plan ("IRP") that is pending approval. PREB rationalized that it must evaluate PREPA's petition once the pending amended IRP is approved and not before. PREPA respectfully posits that such interpretation is incorrect. Section 6.32(b) of Act 57-2014 as amended by Act 17-2019, has a specific exception for those power purchase agreements that have been entered into by PREPA prior to the approval of Act 57-2014. In cases when such agreements are extended or amended, the agreements have to comply with the Puerto Rico Energy Public Policy Act and shall be subject to PREB approval. Nothing in section 6.32 suggests that PREB had to "wait" for the approval of

an amended IRP to act upon its ministerial duty. Additionally, paragraph (e) of above cited Section 6.32 required that PREB review the Agreements submitted within thirty (30) days after submission and determine *on the merits* whether “(A) it approve[d] it, (B) it declares it contrary to the public interest, or (C) if the project agreement should be evaluated in depth”. PREB had the ministerial duty to fully evaluate the Agreements without the previous approval of the modified IRP and as such PREPA adopts by reference the dissenting opinion by Chair Edison Avilés Deliz, as PREPA understands that PREB had the responsibility to evaluate the Agreements taking into consideration the approved IRP under the standard that the Agreements comply with the Puerto Rico Energy Public Policy Act and *are not inconsistent with the current IRP*. Given that PREB failed to evaluate the Agreements on the merits within the time required by law, they are deemed approved under paragraph (e) section 6.32.

The Agreements submitted by PREPA were squarely within the jurisdictional purview of the PREB, the requirements of Act 17-2019 and the current and proposed IRP. The Naturgy Gas Sale and Purchase Agreement between Naturgy Aprovevisionamientos S.A. (the “Naturgy GSPA”) and PREPA ends December 31, 2020 and there is the possibility that PREPA will not be able to secure the same terms and conditions in the future. The result, PREPA would pay much more for natural gas.

This is also true for the EcoEléctrica Amended and Restated Power Purchase and Operating Agreement (the “ECO PPOA”). EcoEléctrica is a Qualifying Facility under the Public Utility Regulatory Policy Act (“PURPA”) and if an agreement is not approved PREPA may not be able to renegotiate the amended PPOA in terms that are favorable to PREPA, and EcoEléctrica could require that PREPA buy the energy it generates at avoided costs which with all probability be higher than the current negotiated terms and conditions in the submitted Agreement.



Furthermore, the benefits of the Agreements are indisputable. First, the savings for PREPA would apply from contract execution. Calculations by PREPA consultant Sargent & Lundy (S&L) estimates that the monthly savings (Eco + Costa Sur total savings) for December 2019 are \$2 million/month, those from January 2020 – December 2020 are \$2 million/month and the savings from January 2021 – December 2021 are \$5 million/month. Accordingly, every month that passes without the Agreements being executed results in more than \$2,000,000 in savings that are not received. Second, the Agreements fully contemplate the penetration of renewables as required by Act 17-2019 and would be effective for the term of the proposed IRP. Third, the Aurora modeling that was performed by Siemens includes the most beneficial scenario for Puerto Rico as it considers an aggressive penetration of renewables as required by Act 17-2019<sup>1</sup>. Lastly, the Agreements are essential for PREPA to comply with the savings contemplated in the Certified Fiscal Plan approved by the Fiscal Oversight and Management Board of Puerto Rico (“FOMB”).

Contrary to PREB’s position that no harm will come from waiting for the approval of the IRP for the consideration of the Agreements, the fact of the matter is that time is of the essence and there is a possibility that renegotiating the terms and conditions currently submitted by PREPA will not be available for PREPA or the People of Puerto Rico at a future, undetermined date. The Agreements submitted are an integral part of PREPA’s transformation process, they will enhance the flexibility, reliability and resilience of the electric grid and incorporate the requirements of Puerto Rico’s energy policy. For the reasons we will discuss below PREPA respectfully requests that PREB reconsider its determination and find that the Agreements are approved given they were not evaluated on the merits within the 30-day time frame. The Agreements are wholly beneficial

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<sup>1</sup> When considering the EcoEléctrica model for purposes of the PPOA negotiation, PREPA consultants used the same natural gas price projections used in the IRP for both the Siemens report and the Sargent & Lundy report. Accordingly, the modeling and information submitted as part of the Agreements is the same information used in the proposed IRP modeling.



to the public interest, consistent with the current and proposed IRP and in harmony with the requirements of Puerto Rico's Energy Public Policy.

## **II. PREB had the Ministerial Duty to Approve the Agreements and its Failure to do so in the 30 day Time Frame Results in the Approval of the Agreements**

Section 1.9(2) of Act 17-2019 codifies the public policy regarding long-term electrical system planning and the term and continued revision of the IRP. In its pertinent part it states that:

(2) Term and Continuous Revision. The planning horizon of the Integrated Resource Plan shall be of at least twenty (20) years. The Integrated Resource Plan shall describe the combination of energy supply resources and conservation that satisfies, in the short-, medium-, and long-term, the current and future needs of Puerto Rico's energy system and of its customers at the lowest reasonable cost. **The Integrated Resource Plan shall be revised every three (3) years from the date in which the Integrated Resource Plan in effect is approved by the Bureau to show changes in energy market conditions, environmental regulations, fuel prices, capital costs, and other factors; provided, that should there be a substantial change in the energy demand or group of resources, such revision process shall be carried out before the three (3) years provided herein to respond to and/or mitigate such changes. Any amendment to the Integrated Resource Plan shall also be filed with the Bureau for review and approval.** The Integrated Resource Plan shall be consistent with all the mandates of this Act and with the Energy Public Policy and shall follow the best practices in electric power industry integrated resource planning.

Section 6.32 of Act 57-2014, as amended by Act 17-2019, governs the evaluation of the Proposed Agreements included as part of PREPA's Petition. Section 6.32 of Act 57-2014 provides in the relevant parts that:

- (a) The Energy Bureau shall evaluate and approve all agreements between electric power service companies, including independent power producers, prior to the execution thereof. This includes, but shall not be limited to, the evaluation and approval of power purchase agreements whereby an independent power producer shall provide energy to the electric power service company responsible for operating the Electrical System. However, when a power purchase agreement is part of a PREPA Transaction, the Energy Compliance Certificate shall suffice in accordance with the provisions of Act No. 120-2018, as amended.
- (b) The provisions of this Section shall not apply to power purchase agreements that have been entered into by the Authority prior to the approval of this Act. However, any extension of

or amendment to a power purchase agreement executed prior to the approval of Act No. 57-2014 shall **comply with the Puerto Rico Energy Public Policy Act** and shall be subject to the approval of the Energy Bureau.

...

- (d) In evaluating every proposal for an agreement between electric power service companies, the Energy Bureau **shall take into account the provisions of the integrated resource plan. The Energy Bureau shall not approve an agreement that is inconsistent with the Integrated Resource Plan**, particularly in all that pertains to renewable energy, distributed generation, conservation and efficiency goals established in the integrated resource plan as well as in the Energy Public. Policy. (Emphasis supplied).

- (e) The Energy Bureau] shall have thirty (30) days after the date on which a project agreement is submitted for its review under this Section, to review it and determine (A) if it approves it, (B) if it declares it contrary to the public interest, or (C) if the project agreement should be evaluated in depth. Provided, that if the [Energy Bureau] fails to issue a resolution with one of these three possible determinations within thirty (30) days, it shall be understood that the project agreement has been approved. If the [Energy Bureau] decides that the project agreement should be evaluated in depth, it shall issue a final resolution and determine whether it approves or declares the project contrary to the public interest within a term that shall not exceed ninety (90) days. If the [Energy Bureau] fails to issue its final resolution within said ninety (90)-day term, it shall be understood that the project agreement has been approved. The resolutions issued by the [Energy Bureau] regarding the approval or declaration against the public Interest of these agreements shall be posted on the [Energy Bureau's] website.

A combined reading of both section 1.9(2) of Act 17-2019 and Section 6.32 of Act 57-2014, as amended by Act 17-2019, necessary implies that PREB has to work and contemplate transactions in regards to the IRP “in effect” and does not have to wait for the approval of a modified IRP to be able to evaluate a petition and decide on it. There is a current approved IRP and there are mechanisms that have been integrated in Section 6.32 that allow for PREB to request additional information to approve a transaction if it deems necessary. The dispositions regarding IRP’s in Act 17-2019, Act 57-2014 and Act 83 of May 2, 1941, as amended (“Act 83-1941”) contemplate modifications to the IRP in consideration to changes in energy market conditions, environmental regulations, fuel prices, capital costs, energy demands,



group of resources and other factors. This necessarily means, that at any moment in time, different factors can affect the current scenarios of the approved IRP and modification processes could always be in place at PREB. PREB's position regarding the Agreements is necessarily inconsistent with the intent and purpose of Act 57-2014 as it would result in PREB being able to relinquish its ministerial duty to evaluate agreements on the grounds that it has *pending* the approval of modified IRP's. This cannot be what the legislature intended.

Additionally, paragraph (e) of above cited Section 6.32 requires that PREB *shall* review the agreements submitted within thirty (30) days after submission and determine *on the merits* whether “(A) it approves it, (B) it declares it contrary to the public interest, or (C) if the project agreement should be evaluated in depth”. In the case at hand PREB failed to make such an analysis and declared it “contrary to the public interest” without making an evaluation of the transactions on the merits.

Consequently, it is PREPA's position that PREB's failure to evaluate the transaction on the merits within the 30-day timeframe implies that the Agreements have been approved for all legal purposes. At all times, PREB had the faculty in law and the ministerial duty to evaluate those transactions submitted to it without it being limited by a pending IRP modification process. Section 6.32 as amended by Act 17-2019 does not require the final approval of a modified IRP for PREB to exercise its duties.

### **III. Benefits of the Transaction and Compliance with Act 17-2019**

Among the main objectives of Act 17-2019 is to “reduce and eventually eliminate electric power generation from fossil fuels by integrating orderly and gradually alternative renewable energy while safeguarding the stability of the Electrical System and maximizing renewable



energy resources in the short, medium and long term.” Section 1.6 (7), Act 17-2019. The Agreements submitted to PREB precisely allow for this orderly integration of renewables while safeguarding the stability of the electrical system.

The terms PREPA has negotiated in the ECO PPOA and the Naturgy GSPA will enhance the flexibility, reliability, and resilience of Puerto Rico's electric grid. During the lifetime of the transactions, the Agreements will yield savings for Puerto Rico electric ratepayers in excess of an estimated \$100 million per year, according to the report prepared by S&L.

The restructured arrangements with ECO and Naturgy contemplate that PREPA will secure the natural gas required to supply the ECO Facility and Costa Sur Units under the Naturgy GSPA. That agreement has been substantially amended to provide PREPA improved pricing terms and greater nomination flexibility than those available under the currently effective agreement through which it obtains gas for the Costa Sur Units. The ECO PPOA likewise has been substantially amended, so that it now takes the form of a "tolling agreement" through which PREPA will supply the natural gas to be converted to electric energy in the ECO Facility.

PREPA has negotiated in the ECO PPOA a reduction in the Capacity Payment relative to the current EcoEléctrica PPOA's Capacity Payment that will save approximately \$108 million annually. This amount is partially offset by an increase in the fuel cost which PREPA will bear under the Naturgy GSPA.

The Agreements also allow for additional savings as it removes the ECO PPOA fuel pricing step that currently requires that PREPA pay a higher fuel cost (a fuel "spot price") if PREPA dispatches EcoEléctrica at capacity factors higher than 76%. This change will allow PREPA to

dispatch the ECO Facility above a 76% capacity factor without having to pay the increased fuel "spot price."

Also, as part of the Agreements, ECO has agreed in the ECO PPOA to increase the capacity sold to PREPA from 507 MW to 530 MW. Naturgy has also agreed to update the structure of the existing GSPA to allow for this increase in generation with significantly increased flexibility to PREPA in take-or-pay obligations. Overall, this flexibility will give PREPA the ability to reduce the dispatch of its more expensive, inefficient generators that burn both diesel and bunker fuel oil, resulting both in fuel cost savings and reduced air emissions.

Lastly, and more importantly, the IRP and Puerto Rico law envision a significant increase in renewable energy generation in the coming years, which would require more flexible operations from the ECO Facility. The Agreements allow for this shift and enable the ECO facility to transition from base load production, operating during all hours of the day, to a dual mode of operation through which, following the scale-up of intermittent renewables in Puerto Rico's generation mix as contemplated in Act 17-2019 and the IRP, the ECO Facility will provide (i) during day-time hours, cycling and ancillary services as required to stabilize and balance the grid, and (ii) during night time hours, base load production. This feature will allow PREPA to fully comply with the projections of renewable energy penetration required by Act 17-2019 and the IRP.

**IV. The Terms of the Agreements are in Compliance with the Puerto Rico Energy Public Policy and its Assumptions are not Inconsistent with the Approved IRP and are Incorporated into the Proposed IRP**

As part of the submittal of documents for the approval of the Agreements, and in compliance with PREB's directions, PREPA evaluated how the pricing and other commercial terms reflected in the ECO PPOA and the Naturgy GSPA might affect the analyses

incorporated in its Integrated Resource Plan ("IRP") and the recommendations reflected in PREPA's Action Plan. Attachment 4 of the submittal, included the report of PREPA's IRP consultant, Siemens, who incorporated in new Aurora model runs, as required by the PREB, the revised capacity payment and certain other commercial provisions established in the ECO PPOA, as well as the revised natural gas pricing and resulting price of electric energy produced in the ECO Facility that will apply with execution of the Naturgy GSPA. **(See Attachment 4 of Request for Approval submitted November 5, 2019).** These new model runs show that the ECO PPOA (as amended and restated from the PPOA assumed in earlier IRP model runs, and assuming the pricing of natural gas as provided in the Naturgy GSPA) to be substantially more economical under the IRP's Scenario 4 than the alternative of constructing a new combined cycle combustion turbine generating facility sited at Costa Sur.

PREPA's IRP adversary proceeding filed in Docket No. CEPR- AP-2018 -0001, *In Re: Review of the Puerto Rico Electric Power Authority Integrated Resource Plan*, envisions the replacement of the ECO Facility and the existing Peñuelas LNG receiving terminal with a new FSRU and combined cycle gas-fired generation facility in the same geographical area by 2025 (the "Replacement CCGT Project" ). Notwithstanding, the IRP under current evaluation includes the base scenario where the renewal of the EcoEléctrica PPOA is assumed. As discussed in the pending IRP, the retirement of EcoEléctrica introduces development risks associated with new replacement resources which make the renegotiation of the PPOA an important consideration for PREPA.

In PREPA's view, the terms it has secured through negotiation of the ECO PPOA and the Naturgy GSPA make the continued operation of the ECO Facility and related Peñuelas LNG receiving terminal a substantially more attractive option than the Replacement CCGT Project. The



ECO Facility and Naturgy, as LNG/natural gas supplier, have proven track records of reliable and cost-effective performance.

On the other hand, the Replacement CCGT Project would entail significant execution risk and thus considerable uncertainty, given (i) the protracted timing required for Federal Energy Regulatory Commission approval of the installation and operation of the contemplated FSRU, (ii) the difficulty of obtaining land rights required for the construction of the Replacement CCGT Project, (iii) the challenges of attracting project financing for the Replacement CCGT Project due to the financial challenges PREPA faces and may continue to face once it emerges from the current Title III process, and (iv) the protracted time frames which have been required for PREPA (and more recently P3) to procure new generation in Puerto Rico generally. Also, pursuing the CCGT project will likely result in costly alternative generation sources to bridge the timing gap in a scenario in which the currently effective EcoEléctrica PPOA lapses in 2022 but the Replacement CCGT Project actually achieves commercial operation only in 2025 or later. PREPA believes that in the circumstances it should favor the course that is most likely to safeguard ratepayers against the risks of material delays in the timing of, and even the ability to implement, the Replacement CCGT Project. This conclusion is supported by an assessment of the alternatives recently performed by Siemens PTI/EBA using the Aurora model employed in the development of the IRP (the "EcoEléctrica New PPOA Assessment") which was summarized in the Siemens report. In performing the EcoEléctrica New PPOA Assessment, Siemens incorporated the Capacity Payment specified in the ECO PPOA, as well as the fuel pricing formula specified in the Naturgy GSPA. It also assumed that the ECO Facility would offer net dependable capacity of 530 MW, and a heat rates of 7.497 MMBtu/MWh at 507 MW and a heat rate at minimum load of 8.039 MMBtu/MWh (in line with the assumptions

previously used in the IRP). Given these assumptions, the Aurora model found the ECO PPOA (as amended and restated from the PPOA assumed in earlier IRP model runs) to be the most economic option under Scenario 4 relative to the alternative presented by the Replacement CCGT Project. Siemens found that signing the ECO PPOA would yield savings over the IRP study period having a Net Present Value of \$705 million (or a cost reduction of 5%) relative to the alternative of not replacing the existing EcoEléctrica PPOA under Scenario 4 Strategy 2 with the ECO PPOA. Siemens concludes on the basis of the EcoEléctrica New PPOA Assessment that PREPA should seek to execute the new ECO PPOA and Naturgy GSPA. On the basis of its analysis and the assessment Siemens has performed, PREPA has concluded that its execution of the ECO PPOA and the Naturgy GSPA are more likely to provide a secure and reliable source of power generation at the lowest reasonable costs than the alternative of pursuing the Replacement CCGT Project.

#### **V. The Agreements are Necessary to Comply with the PREPA Certified Fiscal Plan**

Both the Integrated Resource Plan (“IRP”) and PREPA’s fiscal plan require the Puerto Rico Electric Power Authority (“PREPA”) to seek, among others, flexibility, reliability, and resilience for the electric system, as well as immediate savings for the rate payers. Specifically, PREPA’s Certified Fiscal Plan requires that PREPA comply with the target fiscal plan savings of \$80 million per year. For that purpose, the FOMB has been made aware, that PREPA has actively sought the renegotiation of the Agreements to comply with the target fiscal plan savings. Inaction by PREB at this time will result in PREPA being unable to comply with the target savings as required by the Certified Fiscal Plan.

## **VI. EcoEléctrica is a Qualifying Facility under PURPA and Naturgy has Exclusive Rights to the Natural Gas Facilities Serving Costa Sur**

Rejection of the PPOA could play out in a number of different ways. One result would be that EcoEléctrica would sell its energy to PREPA at PREPA's avoided cost under the Public Utility Regulatory Policies Act ("PURPA"). As recent as July 9, 2019 EcoEléctrica filed with the Federal Energy Regulatory Commission ("FERC") application for the recertification of Qualifying Facility Status for a cogeneration facility. **(Attachment 1)** In a scenario where the Agreements submitted are not approved, EcoEléctrica, as a qualifying facility, could require PREPA to pay avoided costs for the purchase of the energy EcoEléctrica generates. Additionally, given that Naturgy has exclusive control over the capacity of the Peñuelas regasification facility, if PREPA rejects the GSA in order to extract more concessions from Naturgy, Costa Sur will as a practical matter lose access to natural gas. Given Naturgy's ownership of the only natural gas facilities serving Costa Sur, no other natural gas supplier will have the ability to deliver gas to the Costa Sur plant without Naturgy's consent. PREPA will have to pay a premium to secure such consent (and/or terminal use rights); burn back-up fuel at Costa Sur (which may be practically and legally difficult given emissions limitations that may apply); and/or re-enter gas supply arrangements with Naturgy, likely at a much higher price. EcoEléctrica and Costa Sur provide more than half of the electricity for the Island. Losing both plants during this essential transition period would likely result in political and public backlash against PREPA, in addition to the obviously significant financial impact.

## **VII. Conclusion**

PREPA hereby respectfully requests that PREB reconsider its Resolution and Order and determine that the Agreements have been approved given PREB's failure to evaluate them on the merits within the time frame required by law. PREB had the ministerial duty to evaluate and



approve the Agreements submitted by PREPA within the 30 day period established in paragraph (e) of Section 6.32. As discussed above, nothing in Section 6.32 of Act 57-2014 as amended limited PREB's duty to evaluate the Agreements before final approval of the modified IRP. PREB had the responsibility to evaluate whether the transaction was in accordance with the Puerto Rico Energy Public Policy and *not inconsistent* with the IRP. The approval of the Agreements is in the best interest of the public given their compliance with the energy public policy, their consistency with the current and modified IRP and their compatibility with the penetration of renewables as required by Act 17-2019.

**WHEREFORE**, PREPA respectfully requests the Energy Bureau to **RECONSIDER** its Resolution and Order dated November 27, 2019 and **DETERMINE** that the Agreements submitted by PREPA have been approved.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 9<sup>th</sup> day of December 2019.

s/ Maraliz Vázquez-Marrero  
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Attachment 1

2019 JUL 12 A 10:30



July 9, 2019

Honorable Kimberly D. Bose  
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Re: EcoEléctrica, L.P., Docket No. QF95-328-\_\_\_\_  
Form 556, Application for Commission Recertification of Qualifying Facility Status for a  
Cogeneration Facility

Dear Secretary Bose:

Please find attached the application for Commission recertification of qualifying facility status being submitted by EcoEléctrica, L.P. for recertification of its cogeneration facility. Pursuant to Section 292.207(c) of the Commission's regulations, 18 C.F.R. § 292.207(c), copies of this application have been served on the Puerto Rico Electric Power Authority and on the Puerto Rico Energy Board.

In accordance with Section 381.505 of the Commission's regulations, 18 C.F.R. § 381.505, a filing fee of \$28,210.00 is being submitted in connection with this application.

Please contact the undersigned with any questions.

Respectfully submitted,

/s/ Adam Wenner  
Adam Wenner  
Orrick, Herrington & Sutcliffe LLP

*Attorney for EcoEléctrica, L.P.*

Attachments



FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC

OMB Control # 1902-0075  
Expiration 06/30/2019

# Form 556

Certification of Qualifying Facility (QF) Status for a Small Power  
Production or Cogeneration Facility

## General

Questions about completing this form should be sent to [Form556@ferc.gov](mailto:Form556@ferc.gov). Information about the Commission's QF program, answers to frequently asked questions about QF requirements or completing this form, and contact information for QF program staff are available at the Commission's QF website, [www.ferc.gov/QF](http://www.ferc.gov/QF). The Commission's QF website also provides links to the Commission's QF regulations (18 C.F.R. § 131.80 and Part 292), as well as other statutes and orders pertaining to the Commission's QF program.

## Who Must File

Any applicant seeking QF status or recertification of QF status for a generating facility with a net power production capacity (as determined in lines 7a through 7g below) greater than 1000 kW must file a self-certification or an application for Commission certification of QF status, which includes a properly completed Form 556. Any applicant seeking QF status for a generating facility with a net power production capacity 1000 kW or less is exempt from the certification requirement, and is therefore not required to complete or file a Form 556. See 18 C.F.R. § 292.203.

## How to Complete the Form 556

This form is intended to be completed by responding to the items in the order they are presented, according to the instructions given. If you need to back-track, you may need to clear certain responses before you will be allowed to change other responses made previously in the form. If you experience problems, click on the nearest help button ( ? ) for assistance, or contact Commission staff at [Form556@ferc.gov](mailto:Form556@ferc.gov).

Certain lines in this form will be automatically calculated based on responses to previous lines, with the relevant formulas shown. You must respond to all of the previous lines within a section before the results of an automatically calculated field will be displayed. If you disagree with the results of any automatic calculation on this form, contact Commission staff at [Form556@ferc.gov](mailto:Form556@ferc.gov) to discuss the discrepancy before filing.

You must complete all lines in this form unless instructed otherwise. Do not alter this form or save this form in a different format. Incomplete or altered forms, or forms saved in formats other than PDF, will be rejected.

## How to File a Completed Form 556

Applicants are required to file their Form 556 electronically through the Commission's eFiling website (see instructions on page 2). By filing electronically, you will reduce your filing burden, save paper resources, save postage or courier charges, help keep Commission expenses to a minimum, and receive a much faster confirmation (via an email containing the docket number assigned to your facility) that the Commission has received your filing.

If you are simultaneously filing both a waiver request and a Form 556 as part of an application for Commission certification, see the "Waiver Requests" section on page 3 for more information on how to file.

## Paperwork Reduction Act Notice

This form is approved by the Office of Management and Budget. Compliance with the information requirements established by the FERC Form No. 556 is required to obtain or maintain status as a QF. See 18 C.F.R. § 131.80 and Part 292. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The estimated burden for completing the FERC Form No. 556, including gathering and reporting information, is as follows: 3 hours for self-certification of a small power production facility, 8 hours for self-certifications of a cogeneration facility, 6 hours for an application for Commission certification of a small power production facility, and 50 hours for an application for Commission certification of a cogeneration facility. Send comments regarding this burden estimate or any aspect of this collection of information, including suggestions for reducing this burden, to the following: Information Clearance Officer, Office of the Executive Director (ED-32), Federal Energy Regulatory Commission, 888 First Street N.E., Washington, DC 20426 ([DataClearance@ferc.gov](mailto:DataClearance@ferc.gov)); and Desk Officer for FERC, Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 ([oira\\_submission@omb.eop.gov](mailto:oira_submission@omb.eop.gov)). Include the Control No. 1902-0075 in any correspondence.



## Electronic Filing (eFiling)

To electronically file your Form 556, visit the Commission's QF website at [www.ferc.gov/QF](http://www.ferc.gov/QF) and click the eFiling link.

If you are eFiling your first document, you will need to register with your name, email address, mailing address, and phone number. If you are registering on behalf of an employer, then you will also need to provide the employer name, alternate contact name, alternate contact phone number and alternate contact email.

Once you are registered, log in to eFiling with your registered email address and the password that you created at registration. Follow the instructions. When prompted, select one of the following QF-related filing types, as appropriate, from the Electric or General filing category.

| Filing category | Filing Type as listed in eFiling                            | Description  |
|-----------------|---|--|
| Electric        | (Fee) Application for Commission Cert. as Cogeneration QF   | Use to submit an application for Commission certification or Commission recertification of a cogeneration facility as a QF.  |
|                 | (Fee) Application for Commission Cert. as Small Power QF    | Use to submit an application for Commission certification or Commission recertification of a small power production facility as a QF.  |
|                 | Self-Certification Notice (QF, EG, FC)                      | Use to submit a notice of self-certification of your facility (cogeneration or small power production) as a QF.  |
|                 | Self-Recertification of Qualifying Facility (QF)            | Use to submit a notice of self-recertification of your facility (cogeneration or small power production) as a QF.  |
|                 | Supplemental Information or Request                         | Use to correct or supplement a Form 556 that was submitted with errors or omissions, or for which Commission staff has requested additional information. Do <i>not</i> use this filing type to report new changes to a facility or its ownership; rather, use a self-recertification or Commission recertification to report such changes. |
| General         | (Fee) Petition for Declaratory Order (not under FPA Part 1) | Use to submit a petition for declaratory order granting a waiver of Commission QF regulations pursuant to 18 C.F.R. §§ 292.204(a) (3) and/or 292.205(c). A Form 556 is not required for a petition for declaratory order unless Commission recertification is being requested as part of the petition.                                     |

You will be prompted to submit your filing fee, if applicable, during the electronic submission process. Filing fees can be paid via electronic bank account debit or credit card.

During the eFiling process, you will be prompted to select your file(s) for upload from your computer.

## Filing Fee

No filing fee is required if you are submitting a self-certification or self-recertification of your facility as a QF pursuant to 18 C.F.R. § 292.207(a).

A filing fee is required if you are filing either of the following:

- (1) an application for Commission certification or recertification of your facility as a QF pursuant to 18 C.F.R. § 292.207(b), or
- (2) a petition for declaratory order granting waiver pursuant to 18 C.F.R. §§ 292.204(a)(3) and/or 292.205(c).

The current fees for applications for Commission certifications and petitions for declaratory order can be found by visiting the Commission's QF website at [www.ferc.gov/QF](http://www.ferc.gov/QF) and clicking the Fee Schedule link.

You will be prompted to submit your filing fee, if applicable, during the electronic filing process described on page 2.

## Required Notice to Utilities and State Regulatory Authorities

Pursuant to 18 C.F.R. § 292.207(a)(ii), you must provide a copy of your self-certification or request for Commission certification to the utilities with which the facility will interconnect and/or transact, as well as to the State regulatory authorities of the states in which your facility and those utilities reside. Links to information about the regulatory authorities in various states can be found by visiting the Commission's QF website at [www.ferc.gov/QF](http://www.ferc.gov/QF) and clicking the Notice Requirements link.

## What to Expect From the Commission After You File

An applicant filing a Form 556 electronically will receive an email message acknowledging receipt of the filing and showing the docket number assigned to the filing. Such email is typically sent within one business day, but may be delayed pending confirmation by the Secretary of the Commission of the contents of the filing.

An applicant submitting a self-certification of QF status should expect to receive no documents from the Commission, other than the electronic acknowledgement of receipt described above. Consistent with its name, a self-certification is a certification *by the applicant itself* that the facility meets the relevant requirements for QF status, and does not involve a determination by the Commission as to the status of the facility. An acknowledgement of receipt of a self-certification, in particular, does not represent a determination by the Commission with regard to the QF status of the facility. An applicant self-certifying may, however, receive a rejection, revocation or deficiency letter if its application is found, during periodic compliance reviews, not to comply with the relevant requirements.

An applicant submitting a request for Commission certification will receive an order either granting or denying certification of QF status, or a letter requesting additional information or rejecting the application. Pursuant to 18 C.F.R. § 292.207(b)(3), the Commission must act on an application for Commission certification within 90 days of the later of the filing date of the application or the filing date of a supplement, amendment or other change to the application.

## Waiver Requests

18 C.F.R. § 292.204(a)(3) allows an applicant to request a waiver to modify the method of calculation pursuant to 18 C.F.R. § 292.204(a)(2) to determine if two facilities are considered to be located at the same site, for good cause. 18 C.F.R. § 292.205(c) allows an applicant to request waiver of the requirements of 18 C.F.R. §§ 292.205(a) and (b) for operating and efficiency upon a showing that the facility will produce significant energy savings. A request for waiver of these requirements must be submitted as a petition for declaratory order, with the appropriate filing fee for a petition for declaratory order. Applicants requesting Commission recertification as part of a request for waiver of one of these requirements should electronically submit their completed Form 556 along with their petition for declaratory order, rather than filing their Form 556 as a separate request for Commission recertification. Only the filing fee for the petition for declaratory order must be paid to cover both the waiver request and the request for recertification *if such requests are made simultaneously*.

18 C.F.R. § 292.203(d)(2) allows an applicant to request a waiver of the Form 556 filing requirements, for good cause. Applicants filing a petition for declaratory order requesting a waiver under 18 C.F.R. § 292.203(d)(2) do not need to complete or submit a Form 556 with their petition.



## Geographic Coordinates

If a street address does not exist for your facility, then line 3c of the Form 556 requires you to report your facility's geographic coordinates (latitude and longitude). Geographic coordinates may be obtained from several different sources. You can find links to online services that show latitude and longitude coordinates on online maps by visiting the Commission's QF webpage at [www.ferc.gov/QF](http://www.ferc.gov/QF) and clicking the Geographic Coordinates link. You may also be able to obtain your geographic coordinates from a GPS device, Google Earth (available free at <http://earth.google.com>), a property survey, various engineering or construction drawings, a property deed, or a municipal or county map showing property lines.

## Filing Privileged Data or Critical Energy Infrastructure Information in a Form 556

The Commission's regulations provide procedures for applicants to either (1) request that any information submitted with a Form 556 be given privileged treatment because the information is exempt from the mandatory public disclosure requirements of the Freedom of Information Act, 5 U.S.C. § 552, and should be withheld from public disclosure; or (2) identify any documents containing critical energy infrastructure information (CEII) as defined in 18 C.F.R. § 388.113 that should not be made public.

If you are seeking privileged treatment or CEII status for any data in your Form 556, then you must follow the procedures in 18 C.F.R. § 388.112. See [www.ferc.gov/help/filing-guide/file-ceii.asp](http://www.ferc.gov/help/filing-guide/file-ceii.asp) for more information.

Among other things (see 18 C.F.R. § 388.112 for other requirements), applicants seeking privileged treatment or CEII status for data submitted in a Form 556 must prepare and file both (1) a complete version of the Form 556 (containing the privileged and/or CEII data), and (2) a public version of the Form 556 (with the privileged and/or CEII data redacted). Applicants preparing and filing these different versions of their Form 556 must indicate below the security designation of this version of their document. If you are *not* seeking privileged treatment or CEII status for any of your Form 556 data, then you should not respond to any of the items on this page.

|   |
|---|
| <p><b>Non-Public:</b> Applicant is seeking privileged treatment and/or CEII status for data contained in the Form 556 lines indicated below. This non-public version of the applicant's Form 556 contains all data, including the data that is redacted in the (separate) public version of the applicant's Form 556.</p> |
| <p><b>Public (redacted):</b> Applicant is seeking privileged treatment and/or CEII status for data contained in the Form 556 lines indicated below. This public version of the applicant's Form 556 contains all data <u>except</u> for data from the lines indicated below, which has been redacted.</p>                 |
| <p><b>Privileged:</b> Indicate below which lines of your form contain data for which you are seeking privileged treatment</p>   |
| <p><b>Critical Energy Infrastructure Information (CEII):</b> Indicate below which lines of your form contain data for which you are seeking CEII status</p>   |

The eFiling process described on page 2 will allow you to identify which versions of the electronic documents you submit are public, privileged and/or CEII. The filenames for such documents should begin with "Public", "Priv", or "CEII", as applicable, to clearly indicate the security designation of the file. Both versions of the Form 556 should be unaltered PDF copies of the Form 556, as available for download from [www.ferc.gov/QF](http://www.ferc.gov/QF). To redact data from the public copy of the submittal, simply omit the relevant data from the Form. For numerical fields, leave the redacted fields blank. For text fields, complete as much of the field as possible, and replace the redacted portions of the field with the word "REDACTED" in brackets. Be sure to identify above all fields which contain data for which you are seeking non-public status.

The Commission is not responsible for detecting or correcting filer errors, including those errors related to security designation. If your documents contain sensitive information, make sure they are filed using the proper security designation.



FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC

OMB Control # 1902-0075  
Expiration 06/30/2019

# Form 556

Certification of Qualifying Facility (QF) Status for a Small Power  
Production or Cogeneration Facility

Application Information

|  |  |  |
|--|--|--|
| <b>1a</b> Full name of applicant (legal entity on whose behalf qualifying facility status is sought for this facility)<br>ECOELÉCTRICA, L.P.   |  |  |
| <b>1b</b> Applicant street address<br>641 Road 337<br>Peñuelas, PR 00624-9804  |  |  |
| <b>1c</b> City<br>Peñuelas   | <b>1d</b> State/province<br>Puerto Rico  |  |
| <b>1e</b> Postal code<br>00624   | <b>1f</b> Country (if not United States) | <b>1g</b> Telephone number<br>1 (787) 836-2740 |
| <b>1h</b> Has the instant facility ever previously been certified as a QF? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>   |  |  |
| <b>1i</b> If yes, provide the docket number of the last known QF filing pertaining to this facility: QF <u>95</u> - <u>328</u> - <u>008</u>  |  |  |
| <b>1j</b> Under which certification process is the applicant making this filing?<br><input type="checkbox"/> Notice of self-certification (see note below) <input checked="" type="checkbox"/> Application for Commission certification (requires filing fee; see "Filing Fee" section on page 3)<br>Note: a notice of self-certification is a notice by the applicant itself that its facility complies with the requirements for QF status. A notice of self-certification does not establish a proceeding, and the Commission does not review a notice of self-certification to verify compliance. See the "What to Expect From the Commission After You File" section on page 3 for more information.  |  |  |
| <b>1k</b> What type(s) of QF status is the applicant seeking for its facility? (check all that apply)<br><input type="checkbox"/> Qualifying small power production facility status <input checked="" type="checkbox"/> Qualifying cogeneration facility status  |  |  |
| <b>1l</b> What is the purpose and expected effective date(s) of this filing?<br><input type="checkbox"/> Original certification; facility expected to be installed by _____ and to begin operation on _____<br><input checked="" type="checkbox"/> Change(s) to a previously certified facility to be effective on <u>3/13/19</u><br>(identify type(s) of change(s) below, and describe change(s) in the Miscellaneous section starting on page 19)<br><input type="checkbox"/> Name change and/or other administrative change(s)<br><input checked="" type="checkbox"/> Change in ownership<br><input checked="" type="checkbox"/> Change(s) affecting plant equipment, fuel use, power production capacity and/or cogeneration thermal output<br><input type="checkbox"/> Supplement or correction to a previous filing submitted on _____<br>(describe the supplement or correction in the Miscellaneous section starting on page 19)   |  |  |
| <b>1m</b> If any of the following three statements is true, check the box(es) that describe your situation and complete the form to the extent possible, explaining any special circumstances in the Miscellaneous section starting on page 19.<br><input type="checkbox"/> The instant facility complies with the Commission's QF requirements by virtue of a waiver of certain regulations previously granted by the Commission in an order dated _____ (specify any other relevant waiver orders in the Miscellaneous section starting on page 19)<br><input type="checkbox"/> The instant facility would comply with the Commission's QF requirements if a petition for waiver submitted concurrently with this application is granted<br><input type="checkbox"/> The instant facility complies with the Commission's regulations, but has special circumstances, such as the employment of unique or innovative technologies not contemplated by the structure of this form, that make the demonstration of compliance via this form difficult or impossible (describe in Misc. section starting on p. 19) |  |  |

|                                      |   |  |   |  |
|--------------------------------------|---|--|---|--|
| Contact Information                  | <b>2a</b> Name of contact person<br>Adam Wenner   |  | <b>2b</b> Telephone number<br>(202) 339-8515  |  |
|                                      | <b>2c</b> Which of the following describes the contact person's relationship to the applicant? (check one)<br><input type="checkbox"/> Applicant (self) <input type="checkbox"/> Employee, owner or partner of applicant authorized to represent the applicant<br><input type="checkbox"/> Employee of a company affiliated with the applicant authorized to represent the applicant on this matter<br><input checked="" type="checkbox"/> Lawyer, consultant, or other representative authorized to represent the applicant on this matter   |  |   |  |
|                                      | <b>2d</b> Company or organization name (if applicant is an individual, check here and skip to line 2e) <input type="checkbox"/><br>Orrick, Herrington & Sutcliffe LLP   |  |   |  |
|                                      | <b>2e</b> Street address (if same as Applicant, check here and skip to line 3a) <input type="checkbox"/><br>1152 15th Street, N.W.  |  |   |  |
|                                      | <b>2f</b> City<br>Washington  |  | <b>2g</b> State/province<br>DC  |  |
|                                      | <b>2h</b> Postal code<br>20005-1706   |  | <b>2i</b> Country (if not United States)  |  |
| Facility Identification and Location | <b>3a</b> Facility name<br>ECOELECTRICA, L.P.   |  |   |  |
|                                      | <b>3b</b> Street address (if a street address does not exist for the facility, check here and skip to line 3c) <input type="checkbox"/><br>641 Road 337<br>Peñuelas, PR 00624-9804  |  |   |  |
|                                      | <b>3c</b> Geographic coordinates: If you indicated that no street address exists for your facility by checking the box in line 3b, then you must specify the latitude and longitude coordinates of the facility in degrees (to three decimal places). Use the following formula to convert to decimal degrees from degrees, minutes and seconds: decimal degrees = degrees + (minutes/60) + (seconds/3600). See the "Geographic Coordinates" section on page 4 for help. If you provided a street address for your facility in line 3b, then specifying the geographic coordinates below is optional. |  |   |  |
|                                      | Longitude <input type="checkbox"/> East (+) _____ 66.755 degrees<br><input checked="" type="checkbox"/> West (-) _____  |  | Latitude <input checked="" type="checkbox"/> North (+) _____ 17.981 degrees<br><input type="checkbox"/> South (-) _____ |  |
|                                      | <b>3d</b> City (if unincorporated, check here and enter nearest city) <input type="checkbox"/><br>Peñuelas  |  | <b>3e</b> State/province<br>Puerto Rico   |  |
|                                      | <b>3f</b> County (or check here for independent city) <input checked="" type="checkbox"/>   |  | <b>3g</b> Country (if not United States)<br>Puerto Rico   |  |
| Transacting Utilities                | Identify the electric utilities that are contemplated to transact with the facility.  |  |   |  |
|                                      | <b>4a</b> Identify utility interconnecting with the facility<br>Puerto Rico Electric Power Authority / PREPA  |  |   |  |
|                                      | <b>4b</b> Identify utilities providing wheeling service or check here if none <input checked="" type="checkbox"/>   |  |   |  |
|                                      | <b>4c</b> Identify utilities purchasing the useful electric power output or check here if none <input type="checkbox"/><br>Puerto Rico Electric Power Authority / PREPA   |  |   |  |
|                                      | <b>4d</b> Identify utilities providing supplementary power, backup power, maintenance power, and/or interruptible power service or check here if none <input type="checkbox"/><br>PREPA - provides backup power and maintenance power.  |  |   |  |



## Ownership and Operation

**5a** Direct ownership as of effective date or operation date: Identify all direct owners of the facility holding at least 10 percent equity interest. For each identified owner, also (1) indicate whether that owner is an electric utility, as defined in section 3(22) of the Federal Power Act (16 U.S.C. 796(22)), or a holding company, as defined in section 1262(8) of the Public Utility Holding Company Act of 2005 (42 U.S.C. 16451(8)), and (2) for owners which are electric utilities or holding companies, provide the percentage of equity interest in the facility held by that owner. If no direct owners hold at least 10 percent equity interest in the facility, then provide the required information for the two direct owners with the largest equity interest in the facility.

| Full legal names of direct owners | Electric utility or holding company                                 | If Yes, % equity interest |
|-----------------------------------|---|---------------------------|
| 1) EcoEléctrica LP (Bermuda)      | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | 100 %                     |
| 2) _____                          | Yes <input type="checkbox"/> No <input type="checkbox"/>            | _____ %                   |
| 3) _____                          | Yes <input type="checkbox"/> No <input type="checkbox"/>            | _____ %                   |
| 4) _____                          | Yes <input type="checkbox"/> No <input type="checkbox"/>            | _____ %                   |
| 5) _____                          | Yes <input type="checkbox"/> No <input type="checkbox"/>            | _____ %                   |
| 6) _____                          | Yes <input type="checkbox"/> No <input type="checkbox"/>            | _____ %                   |
| 7) _____                          | Yes <input type="checkbox"/> No <input type="checkbox"/>            | _____ %                   |
| 8) _____                          | Yes <input type="checkbox"/> No <input type="checkbox"/>            | _____ %                   |
| 9) _____                          | Yes <input type="checkbox"/> No <input type="checkbox"/>            | _____ %                   |
| 10) _____                         | Yes <input type="checkbox"/> No <input type="checkbox"/>            | _____ %                   |

☒ Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed

**5b** Upstream (i.e., indirect) ownership as of effective date or operation date: Identify all upstream (i.e., indirect) owners of the facility that both (1) hold at least 10 percent equity interest in the facility, and (2) are electric utilities, as defined in section 3(22) of the Federal Power Act (16 U.S.C. 796(22)), or holding companies, as defined in section 1262(8) of the Public Utility Holding Company Act of 2005 (42 U.S.C. 16451(8)). Also provide the percentage of equity interest in the facility held by such owners. (Note that, because upstream owners may be subsidiaries of one another, total percent equity interest reported may exceed 100 percent.)

Check here if no such upstream owners exist. ☐

| Full legal names of electric utility or holding company upstream owners | % equity interest |
|---|-------------------|
| 1) EcoEléctrica Holding LLC   | 99 %              |
| 2) Buenergía Gas & Power LLC (Puerto Rico)                              | 49.5 %            |
| 3) Naturgy SDG, S.A.  | 47.5 %            |
| 4) IPM Puerto Rico  | 49.5 %            |
| 5) IPM del Caribe (Cayman)  | 49.5 %            |
| 6) IPM Eagle EcoEléctrica sarl  | 49.5 %            |
| 7) Impala Magpie ltd  | 49.5 %            |
| 8) IPM Eagle  | 49.5 %            |
| 9) Engie  | 35 %              |
| 10) Mitsui & Co   | 15 %              |

☐ Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed

**5c** Identify the facility operator

EcoEléctrica L.P.; Carlos A. Reyes - President & General Manager



Energy Input

**6a** Describe the primary energy input: (check one main category and, if applicable, one subcategory)

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> Biomass (specify)                     | <input type="checkbox"/> Renewable resources (specify)                  | <input type="checkbox"/> Geothermal                              |
| <input type="checkbox"/> Landfill gas                          | <input type="checkbox"/> Hydro power - river                            | <input checked="" type="checkbox"/> Fossil fuel (specify)        |
| <input type="checkbox"/> Manure digester gas                   | <input type="checkbox"/> Hydro power - tidal                            | <input type="checkbox"/> Coal (not waste)                        |
| <input type="checkbox"/> Municipal solid waste                 | <input type="checkbox"/> Hydro power - wave                             | <input type="checkbox"/> Fuel oil/diesel                         |
| <input type="checkbox"/> Sewage digester gas                   | <input type="checkbox"/> Solar - photovoltaic                           | <input checked="" type="checkbox"/> Natural gas (not waste)      |
| <input type="checkbox"/> Wood                                  | <input type="checkbox"/> Solar - thermal                                | <input type="checkbox"/> Other fossil fuel (describe on page 19) |
| <input type="checkbox"/> Other biomass (describe on page 19)   | <input type="checkbox"/> Wind   |  |
| <input type="checkbox"/> Waste (specify type below in line 6b) | <input type="checkbox"/> Other renewable resource (describe on page 19) | <input type="checkbox"/> Other (describe on page 19)             |

**6b** If you specified "waste" as the primary energy input in line 6a, indicate the type of waste fuel used: (check one)

- ☐ Waste fuel listed in 18 C.F.R. § 292.202(b) (specify one of the following)
- ☐ Anthracite culm produced prior to July 23, 1985
  - ☐ Anthracite refuse that has an average heat content of 6,000 Btu or less per pound and has an average ash content of 45 percent or more
  - ☐ Bituminous coal refuse that has an average heat content of 9,500 Btu per pound or less and has an average ash content of 25 percent or more
  - ☐ Top or bottom subbituminous coal produced on Federal lands or on Indian lands that has been determined to be waste by the United States Department of the Interior's Bureau of Land Management (BLM) or that is located on non-Federal or non-Indian lands outside of BLM's jurisdiction, provided that the applicant shows that the latter coal is an extension of that determined by BLM to be waste
  - ☐ Coal refuse produced on Federal lands or on Indian lands that has been determined to be waste by the BLM or that is located on non-Federal or non-Indian lands outside of BLM's jurisdiction, provided that applicant shows that the latter is an extension of that determined by BLM to be waste
  - ☐ Lignite produced in association with the production of montan wax and lignite that becomes exposed as a result of such a mining operation
  - ☐ Gaseous fuels (except natural gas and synthetic gas from coal) (describe on page 19)
  - ☐ Waste natural gas from gas or oil wells (describe on page 19 how the gas meets the requirements of 18 C.F.R. § 2.400 for waste natural gas; include with your filing any materials necessary to demonstrate compliance with 18 C.F.R. § 2.400)
  - ☐ Materials that a government agency has certified for disposal by combustion (describe on page 19)
  - ☐ Heat from exothermic reactions (describe on page 19)
  - ☐ Residual heat (describe on page 19)
  - ☐ Used rubber tires
  - ☐ Plastic materials
  - ☐ Refinery off-gas
  - ☐ Petroleum coke
- ☐ Other waste energy input that has little or no commercial value and exists in the absence of the qualifying facility industry (describe in the Miscellaneous section starting on page 19; include a discussion of the fuel's lack of commercial value and existence in the absence of the qualifying facility industry)

**6c** Provide the average energy input, calculated on a calendar year basis, in terms of Btu/h for the following fossil fuel energy inputs, and provide the related percentage of the total average annual energy input to the facility (18 C.F.R. § 292.202(j)). For any oil or natural gas fuel, use lower heating value (18 C.F.R. § 292.202(m)).

| Fuel            | Annual average energy input for specified fuel | Percentage of total annual energy input |
|-----------------|--|---|
| Natural gas     | 3,791,789,825 Btu/h                            | 100 %                                   |
| Oil-based fuels | 0 Btu/h  | 0 %                                     |
| Coal            | 0 Btu/h  | 0 %                                     |

|                                |  |              |
|--------------------------------|--|--------------|
| Technical Facility Information | Indicate the maximum gross and maximum net electric power production capacity of the facility at the point(s) of delivery by completing the worksheet below. Respond to all items. If any of the parasitic loads and/or losses identified in lines 7b through 7e are negligible, enter zero for those lines.   |              |
|                                | <b>7a</b> The maximum gross power production capacity at the terminals of the individual generator(s) under the most favorable anticipated design conditions   | 563,174 kW   |
|                                | <b>7b</b> Parasitic station power used at the facility to run equipment which is necessary and integral to the power production process (boiler feed pumps, fans/blowers, office or maintenance buildings directly related to the operation of the power generating facility, etc.). If this facility includes non-power production processes (for instance, power consumed by a cogeneration facility's thermal host), do not include any power consumed by the non-power production activities in your reported parasitic station power.   | 19,351 kW    |
|                                | <b>7c</b> Electrical losses in interconnection transformers  | 0 kW         |
|                                | <b>7d</b> Electrical losses in AC/DC conversion equipment, if any  | 0 kW         |
|                                | <b>7e</b> Other interconnection losses in power lines or facilities (other than transformers and AC/DC conversion equipment) between the terminals of the generator(s) and the point of interconnection with the utility   | 0 kW         |
|                                | <b>7f</b> Total deductions from gross power production capacity = 7b + 7c + 7d + 7e  | 19,351.0 kW  |
|                                | <b>7g</b> Maximum net power production capacity = 7a - 7f  | 543,823.0 kW |
|                                | <b>7h</b> Description of facility and primary components: Describe the facility and its operation. Identify all boilers, heat recovery steam generators, prime movers (any mechanical equipment driving an electric generator), electrical generators, photovoltaic solar equipment, fuel cell equipment and/or other primary power generation equipment used in the facility. Descriptions of components should include (as applicable) specifications of the nominal capacities for mechanical output, electrical output, or steam generation of the identified equipment. For each piece of equipment identified, clearly indicate how many pieces of that type of equipment are included in the plant, and which components are normally operating or normally in standby mode. Provide a description of how the components operate as a system. Applicants for cogeneration facilities do not need to describe operations of systems that are clearly depicted on and easily understandable from a cogeneration facility's attached mass and heat balance diagram; however, such applicants should provide any necessary description needed to understand the sequential operation of the facility depicted in their mass and heat balance diagram. If additional space is needed, continue in the Miscellaneous section starting on page 19.   |              |
|                                | <p>The EcoEléctrica Facility consist of two nominally rated 185,000 kW combustion turbine generators in combined-cycle, two multi-pressure heat recovery steam generators (HRSG), a single cylinder, single flow, nominally rated 214,000 kW reheat steam turbine generator set and interconnection equipment. The primary energy source for the EcoEléctrica Facility is natural gas; however, low sulfur distillate fuel oil may be utilized as a secondary fuel and may be utilized for startups and as an alternate fuel in an emergency when no natural gas is available. Liquefied Petroleum Gas (LPG) is no longer used as a secondary fuel. Steam extracted form the low pressure drums of the HRSGs and/or the low pressure end of the steam turbine generator are used in a desalination plant owned by the Applicant located on-site, adjacent to the Facility. The proportion of steam turbine that is extracted from the HRSGs and the low pressure end of the steam turbine generator varies depending on the Facility's operating conditions and desalination units in service. The Facility also consists of equipment and facilities for the purpose of interconnecting with the Puerto Rico Electric Power Authority's electric transmission system, including but not limited to, metering equipment, 230kV transmission lines and associated equipment, relay and switching equipment, and protective devices and safety equipment. Continue on page 19 - Miscellaneous section.</p> |              |



## Information Required for Small Power Production Facility

If you indicated in line 1k that you are seeking qualifying small power production facility status for your facility, then you must respond to the items on this page. Otherwise, skip page 10.

| <b>Certification of Compliance with Size Limitations</b>  | <p>Pursuant to 18 C.F.R. § 292.204(a), the power production capacity of any small power production facility, together with the power production capacity of any other small power production facilities that use the same energy resource, are owned by the same person(s) or its affiliates, and are located at the same site, may not exceed 80 megawatts. To demonstrate compliance with this size limitation, or to demonstrate that your facility is exempt from this size limitation under the Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990 (Pub. L. 101-575, 104 Stat. 2834 (1990) <i>as amended by</i> Pub. L. 102-46, 105 Stat. 249 (1991)), respond to lines 8a through 8e below (as applicable).</p> |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
|---|---|--|---------------------------|--|--|----------|------------|-------|----------|----------|------------|-------|----------|----------|------------|-------|----------|
|   | <p><b>8a</b> Identify any facilities with electrical generating equipment located within 1 mile of the electrical generating equipment of the instant facility, and for which any of the entities identified in lines 5a or 5b, or their affiliates, holds at least a 5 percent equity interest.</p>  |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
|   | <p>Check here if no such facilities exist. <input type="checkbox"/></p>   |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
|   | <table border="1"> <thead> <tr> <th>Facility location<br/>(city or county, state)</th> <th>Root docket #<br/>(if any)</th> <th>Common owner(s)</th> <th>Maximum net power<br/>production capacity</th> </tr> </thead> <tbody> <tr> <td>1) _____</td> <td>QF - _____</td> <td>_____</td> <td>_____ kW</td> </tr> <tr> <td>2) _____</td> <td>QF - _____</td> <td>_____</td> <td>_____ kW</td> </tr> <tr> <td>3) _____</td> <td>QF - _____</td> <td>_____</td> <td>_____ kW</td> </tr> </tbody> </table>   | Facility location<br>(city or county, state) | Root docket #<br>(if any) | Common owner(s)                          | Maximum net power<br>production capacity | 1) _____ | QF - _____ | _____ | _____ kW | 2) _____ | QF - _____ | _____ | _____ kW | 3) _____ | QF - _____ | _____ | _____ kW |
|   | Facility location<br>(city or county, state)  | Root docket #<br>(if any)                    | Common owner(s)           | Maximum net power<br>production capacity |  |          |            |       |          |          |            |       |          |          |            |       |          |
|   | 1) _____  | QF - _____                                   | _____                     | _____ kW                                 |  |          |            |       |          |          |            |       |          |          |            |       |          |
| 2) _____  | QF - _____  | _____  | _____ kW                  |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
| 3) _____  | QF - _____  | _____  | _____ kW                  |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
| <p><input type="checkbox"/> Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed</p>  |   |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
| <p><b>8b</b> The Solar, Wind, Waste, and Geothermal Power Production Incentives Act of 1990 (Incentives Act) provides exemption from the size limitations in 18 C.F.R. § 292.204(a) for certain facilities that were certified prior to 1995. Are you seeking exemption from the size limitations in 18 C.F.R. § 292.204(a) by virtue of the Incentives Act?</p> <p><input type="checkbox"/> Yes (continue at line 8c below) <input type="checkbox"/> No (skip lines 8c through 8e)</p> |   |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
| <b>Certification of Compliance with Fuel Use Requirements</b>   | <p><b>8c</b> Was the original notice of self-certification or application for Commission certification of the facility filed on or before December 31, 1994? Yes <input type="checkbox"/> No <input type="checkbox"/></p>   |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
|   | <p><b>8d</b> Did construction of the facility commence on or before December 31, 1999? Yes <input type="checkbox"/> No <input type="checkbox"/></p>   |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
|   | <p><b>8e</b> If you answered No in line 8d, indicate whether reasonable diligence was exercised toward the completion of the facility, taking into account all factors relevant to construction? Yes <input type="checkbox"/> No <input type="checkbox"/> If you answered Yes, provide a brief narrative explanation in the Miscellaneous section starting on page 19 of the construction timeline (in particular, describe why construction started so long after the facility was certified) and the diligence exercised toward completion of the facility.</p>   |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
| <b>Certification of Compliance with Fuel Use Requirements</b>   | <p>Pursuant to 18 C.F.R. § 292.204(b), qualifying small power production facilities may use fossil fuels, in minimal amounts, for only the following purposes: ignition; start-up; testing; flame stabilization; control use; alleviation or prevention of unanticipated equipment outages; and alleviation or prevention of emergencies, directly affecting the public health, safety, or welfare, which would result from electric power outages. The amount of fossil fuels used for these purposes may not exceed 25 percent of the total energy input of the facility during the 12-month period beginning with the date the facility first produces electric energy or any calendar year thereafter.</p>                                |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
|   | <p><b>9a</b> Certification of compliance with 18 C.F.R. § 292.204(b) with respect to uses of fossil fuel:</p> <p><input type="checkbox"/> Applicant certifies that the facility will use fossil fuels <i>exclusively</i> for the purposes listed above.</p>   |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |
|   | <p><b>9b</b> Certification of compliance with 18 C.F.R. § 292.204(b) with respect to amount of fossil fuel used annually:</p> <p><input type="checkbox"/> Applicant certifies that the amount of fossil fuel used at the facility will not, in aggregate, exceed 25 percent of the total energy input of the facility during the 12-month period beginning with the date the facility first produces electric energy or any calendar year thereafter.</p>   |  |                           |  |  |          |            |       |          |          |            |       |          |          |            |       |          |



## Information Required for Cogeneration Facility

If you indicated in line 1k that you are seeking qualifying cogeneration facility status for your facility, then you must respond to the items on pages 11 through 13. Otherwise, skip pages 11 through 13.

|                                     |  |  |
|-------------------------------------|--|--|
| General Cogeneration Information    | <p>Pursuant to 18 C.F.R. § 292.202(c), a cogeneration facility produces electric energy and forms of useful thermal energy (such as heat or steam) used for industrial, commercial, heating, or cooling purposes, through the sequential use of energy. Pursuant to 18 C.F.R. § 292.202(s), "sequential use" of energy means the following: (1) for a topping-cycle cogeneration facility, the use of reject heat from a power production process in sufficient amounts in a thermal application or process to conform to the requirements of the operating standard contained in 18 C.F.R. § 292.205(a); or (2) for a bottoming-cycle cogeneration facility, the use of at least some reject heat from a thermal application or process for power production.</p> |  |
|                                     | <p><b>10a</b> What type(s) of cogeneration technology does the facility represent? (check all that apply)</p> <p> <input checked="" type="checkbox"/> Topping-cycle cogeneration           <input type="checkbox"/> Bottoming-cycle cogeneration         </p>  |  |
|                                     | <p><b>10b</b> To help demonstrate the sequential operation of the cogeneration process, and to support compliance with other requirements such as the operating and efficiency standards, include with your filing a mass and heat balance diagram depicting average annual operating conditions. This diagram must include certain items and meet certain requirements, as described below. You must check next to the description of each requirement below to certify that you have complied with these requirements.</p>   |  |
|                                     | Check to certify compliance with indicated requirement   | Requirement  |
|                                     | <input checked="" type="checkbox"/>  | Diagram must show orientation within system piping and/or ducts of all prime movers, heat recovery steam generators, boilers, electric generators, and condensers (as applicable), as well as any other primary equipment relevant to the cogeneration process.  |
|                                     | <input checked="" type="checkbox"/>  | Any average annual values required to be reported in lines 10b, 12a, 13a, 13b, 13d, 13f, 14a, 15b, 15d and/or 15f must be computed over the anticipated hours of operation.  |
|                                     | <input checked="" type="checkbox"/>  | Diagram must specify all fuel inputs by fuel type and average annual rate in Btu/h. Fuel for supplementary firing should be specified separately and clearly labeled. All specifications of fuel inputs should use lower heating values.   |
|                                     | <input checked="" type="checkbox"/>  | Diagram must specify average gross electric output in kW or MW for each generator.   |
|                                     | <input checked="" type="checkbox"/>  | Diagram must specify average mechanical output (that is, any mechanical energy taken off of the shaft of the prime movers for purposes not directly related to electric power generation) in horsepower, if any. Typically, a cogeneration facility has no mechanical output.  |
|                                     | <input checked="" type="checkbox"/>  | At each point for which working fluid flow conditions are required to be specified (see below), such flow condition data must include mass flow rate (in lb/h or kg/s), temperature (in °F, R, °C or K), absolute pressure (in psia or kPa) and enthalpy (in Btu/lb or kJ/kg). Exception: For systems where the working fluid is <i>liquid only</i> (no vapor at any point in the cycle) and where the type of liquid and specific heat of that liquid are clearly indicated on the diagram or in the Miscellaneous section starting on page 19, only mass flow rate and temperature (not pressure and enthalpy) need be specified. For reference, specific heat at standard conditions for pure liquid water is approximately 1.002 Btu/(lb*°R) or 4.195 kJ/(kg*K). |
| <input checked="" type="checkbox"/> | Diagram must specify working fluid flow conditions at input to and output from each steam turbine or other expansion turbine or back-pressure turbine.   |  |
| <input checked="" type="checkbox"/> | Diagram must specify working fluid flow conditions at delivery to and return from each thermal application.  |  |
| <input checked="" type="checkbox"/> | Diagram must specify working fluid flow conditions at make-up water inputs.  |  |

EPA 2005 Requirements for Fundamental Use of Energy Output from Cogeneration Facilities

EPA 2005 cogeneration facilities: The Energy Policy Act of 2005 (EPA 2005) established a new section 210(n) of the Public Utility Regulatory Policies Act of 1978 (PURPA), 16 USC 824a-3(n), with additional requirements for any qualifying cogeneration facility that (1) is seeking to sell electric energy pursuant to section 210 of PURPA and (2) was either not a cogeneration facility on August 8, 2005, or had not filed a self-certification or application for Commission certification of QF status on or before February 1, 2006. These requirements were implemented by the Commission in 18 C.F.R. § 292.205(d). Complete the lines below, carefully following the instructions, to demonstrate whether these additional requirements apply to your cogeneration facility and, if so, whether your facility complies with such requirements.

**11a** Was your facility operating as a qualifying cogeneration facility on or before August 8, 2005? Yes ☒ No ☐

**11b** Was the initial filing seeking certification of your facility (whether a notice of self-certification or an application for Commission certification) filed on or before February 1, 2006? Yes ☒ No ☐

If the answer to either line 11a or 11b is Yes, then continue at line 11c below. Otherwise, if the answers to both lines 11a and 11b are No, skip to line 11e below.

**11c** With respect to the design and operation of the facility, have any changes been implemented on or after February 2, 2006 that affect general plant operation, affect use of thermal output, and/or increase net power production capacity from the plant's capacity on February 1, 2006?

☒ Yes (continue at line 11d below)

☐ No. Your facility is not subject to the requirements of 18 C.F.R. § 292.205(d) at this time. However, it may be subject to these requirements in the future if changes are made to the facility. At such time, the applicant would need to recertify the facility to determine eligibility. Skip lines 11d through 11j.

**11d** Does the applicant contend that the changes identified in line 11c are not so significant as to make the facility a "new" cogeneration facility that would be subject to the 18 C.F.R. § 292.205(d) cogeneration requirements?

☒ Yes. Provide in the Miscellaneous section starting on page 19 a description of any relevant changes made to the facility (including the purpose of the changes) and a discussion of why the facility should not be considered a "new" cogeneration facility in light of these changes. Skip lines 11e through 11j.

☐ No. Applicant stipulates to the fact that it is a "new" cogeneration facility (for purposes of determining the applicability of the requirements of 18 C.F.R. § 292.205(d)) by virtue of modifications to the facility that were initiated on or after February 2, 2006. Continue below at line 11e.

**11e** Will electric energy from the facility be sold pursuant to section 210 of PURPA?

☐ Yes. The facility is an EPA 2005 cogeneration facility. You must demonstrate compliance with 18 C.F.R. § 292.205(d)(2) by continuing at line 11f below.

☐ No. Applicant certifies that energy will *not* be sold pursuant to section 210 of PURPA. Applicant also certifies its understanding that it must recertify its facility in order to determine compliance with the requirements of 18 C.F.R. § 292.205(d) *before* selling energy pursuant to section 210 of PURPA in the future. Skip lines 11f through 11j.

**11f** Is the net power production capacity of your cogeneration facility, as indicated in line 7g above, less than or equal to 5,000 kW?

☐ Yes, the net power production capacity is less than or equal to 5,000 kW. 18 C.F.R. § 292.205(d)(4) provides a rebuttable presumption that cogeneration facilities of 5,000 kW and smaller capacity comply with the requirements for fundamental use of the facility's energy output in 18 C.F.R. § 292.205(d)(2). Applicant certifies its understanding that, should the power production capacity of the facility increase above 5,000 kW, then the facility must be recertified to (among other things) demonstrate compliance with 18 C.F.R. § 292.205(d)(2). Skip lines 11g through 11j.

☐ No, the net power production capacity is greater than 5,000 kW. Demonstrate compliance with the requirements for fundamental use of the facility's energy output in 18 C.F.R. § 292.205(d)(2) by continuing on the next page at line 11g.



EPA 2005 Requirements for Fundamental Use of Energy Output from Cogeneration Facilities (continued)

Lines 11g through 11k below guide the applicant through the process of demonstrating compliance with the requirements for "fundamental use" of the facility's energy output. 18 C.F.R. § 292.205(d)(2). Only respond to the lines on this page if the instructions on the previous page direct you to do so. Otherwise, skip this page.

18 C.F.R. § 292.205(d)(2) requires that the electrical, thermal, chemical and mechanical output of an EPA 2005 cogeneration facility is used fundamentally for industrial, commercial, residential or institutional purposes and is not intended fundamentally for sale to an electric utility, taking into account technological, efficiency, economic, and variable thermal energy requirements, as well as state laws applicable to sales of electric energy from a qualifying facility to its host facility. If you were directed on the previous page to respond to the items on this page, then your facility is an EPA 2005 cogeneration facility that is subject to this "fundamental use" requirement.

The Commission's regulations provide a two-pronged approach to demonstrating compliance with the requirements for fundamental use of the facility's energy output. First, the Commission has established in 18 C.F.R. § 292.205(d)(3) a "fundamental use test" that can be used to demonstrate compliance with 18 C.F.R. § 292.205(d)(2). Under the fundamental use test, a facility is considered to comply with 18 C.F.R. § 292.205(d)(2) if at least 50 percent of the facility's total annual energy output (including electrical, thermal, chemical and mechanical energy output) is used for industrial, commercial, residential or institutional purposes.

Second, an applicant for a facility that does not pass the fundamental use test may provide a narrative explanation of and support for its contention that the facility nonetheless meets the requirement that the electrical, thermal, chemical and mechanical output of an EPA 2005 cogeneration facility is used fundamentally for industrial, commercial, residential or institutional purposes and is not intended fundamentally for sale to an electric utility, taking into account technological, efficiency, economic, and variable thermal energy requirements, as well as state laws applicable to sales of electric energy from a qualifying facility to its host facility.

Complete lines 11g through 11j below to determine compliance with the fundamental use test in 18 C.F.R. § 292.205(d)(3). Complete lines 11g through 11j *even if you do not intend to rely upon the fundamental use test to demonstrate compliance with 18 C.F.R. § 292.205(d)(2)*.

|  |     |
|--|-----|
| <b>11g</b> Amount of electrical, thermal, chemical and mechanical energy output (net of internal generation plant losses and parasitic loads) expected to be used annually for industrial, commercial, residential or institutional purposes and not sold to an electric utility | MWh |
| <b>11h</b> Total amount of electrical, thermal, chemical and mechanical energy expected to be sold to an electric utility  | MWh |
| <b>11i</b> Percentage of total annual energy output expected to be used for industrial, commercial, residential or institutional purposes and not sold to a utility<br>= $100 * 11g / (11g + 11h)$   | %   |

**11j** Is the response in line 11i greater than or equal to 50 percent?

☐ Yes. Your facility complies with 18 C.F.R. § 292.205(d)(2) by virtue of passing the fundamental use test provided in 18 C.F.R. § 292.205(d)(3). Applicant certifies its understanding that, if it is to rely upon passing the fundamental use test as a basis for complying with 18 C.F.R. § 292.205(d)(2), then the facility must comply with the fundamental use test both in the 12-month period beginning with the date the facility first produces electric energy, and in all subsequent calendar years.

☐ No. Your facility does not pass the fundamental use test. Instead, you must provide in the Miscellaneous section starting on page 19 a narrative explanation of and support for why your facility meets the requirement that the electrical, thermal, chemical and mechanical output of an EPA 2005 cogeneration facility is used fundamentally for industrial, commercial, residential or institutional purposes and is not intended fundamentally for sale to an electric utility, taking into account technological, efficiency, economic, and variable thermal energy requirements, as well as state laws applicable to sales of electric energy from a QF to its host facility. Applicants providing a narrative explanation of why their facility should be found to comply with 18 C.F.R. § 292.205(d)(2) in spite of non-compliance with the fundamental use test may want to review paragraphs 47 through 61 of Order No. 671 (accessible from the Commission's QF website at [www.ferc.gov/QF](http://www.ferc.gov/QF)), which provide discussion of the facts and circumstances that may support their explanation. Applicant should also note that the percentage reported above will establish the standard that that facility must comply with, both for the 12-month period beginning with the date the facility first produces electric energy, and in all subsequent calendar years. See Order No. 671 at paragraph 51. As such, the applicant should make sure that it reports appropriate values on lines 11g and 11h above to serve as the relevant annual standard, taking into account expected variations in production conditions.



## Information Required for Topping-Cycle Cogeneration Facility

If you indicated in line 10a that your facility represents topping-cycle cogeneration technology, then you must respond to the items on pages 14 and 15. Otherwise, skip pages 14 and 15.

|  |   |   |  |                  |
|--|---|---|--|------------------|
| Usefulness of Topping-Cycle Thermal Output   | <p>The thermal energy output of a topping-cycle cogeneration facility is the net energy made available to an industrial or commercial process or used in a heating or cooling application. Pursuant to sections 292.202(c), (d) and (h) of the Commission's regulations (18 C.F.R. §§ 292.202(c), (d) and (h)), the thermal energy output of a qualifying topping-cycle cogeneration facility must be useful. In connection with this requirement, describe the thermal output of the topping-cycle cogeneration facility by responding to lines 12a and 12b below.</p> |   |  |                  |
|  | <p><b>12a</b> Identify and describe each thermal host, and specify the annual average rate of thermal output made available to each host for each use. For hosts with multiple uses of thermal output, provide the data for each use <i>in separate rows</i>.</p>   |   |  |                  |
|  | Name of entity (thermal host) taking thermal output   | Thermal host's relationship to facility; Thermal host's use of thermal output | Average annual rate of thermal output attributable to use (net of heat contained in process return or make-up water) |                  |
|  | 1)  | Desalination Plant:<br>Two Desalt Units (MED)                                 | Other (describe in line 12b)<br>Other com. use (describe in line 12b)  | 74,064,848 Btu/h |
|  | 2)  |   | Select thermal host's relationship to facility<br>Select thermal host's use of thermal output                        | Btu/h            |
|  | 3)  |   | Select thermal host's relationship to facility<br>Select thermal host's use of thermal output                        | Btu/h            |
|  | 4)  |   | Select thermal host's relationship to facility<br>Select thermal host's use of thermal output                        | Btu/h            |
|  | 5)  |   | Select thermal host's relationship to facility<br>Select thermal host's use of thermal output                        | Btu/h            |
|  | 6)  |   | Select thermal host's relationship to facility<br>Select thermal host's use of thermal output                        | Btu/h            |
|  | <p><input checked="" type="checkbox"/> Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed</p>   |   |  |                  |
| <p><b>12b</b> Demonstration of usefulness of thermal output: At a minimum, provide a brief description of each use of the thermal output identified above. In some cases, this brief description is sufficient to demonstrate usefulness. However, if your facility's use of thermal output is not common, and/or if the usefulness of such thermal output is not reasonably clear, then you must provide additional details as necessary to demonstrate usefulness. Your application may be rejected and/or additional information may be required if an insufficient showing of usefulness is made. (Exception: If you have previously received a Commission certification approving a specific use of thermal output related to the instant facility, then you need only provide a brief description of that use and a reference by date and docket number to the order certifying your facility with the indicated use. Such exemption may not be used if any change creates a material deviation from the previously authorized use.) If additional space is needed, continue in the Miscellaneous section starting on page 19.</p> |   |   |  |                  |
| <p>This information remain unchanged from the Application for Recertification as a qualifying co-generation facility filed on April 2, 2004 in Docket No. QF95-328-006 and granted in EcoEléctrica, L.P., 108 FERC 61,249 (2004).</p>  |   |   |  |                  |
| <p>See description in the Miscellaneous Section which start at Section page 19.</p>  |   |   |  |                  |

**Topping-Cycle Operating and  
Efficiency Value Calculation**

Applicants for facilities representing topping-cycle technology must demonstrate compliance with the topping-cycle operating standard and, if applicable, efficiency standard. Section 292.205(a)(1) of the Commission's regulations (18 C.F.R. § 292.205(a)(1)) establishes the operating standard for topping-cycle cogeneration facilities: the useful thermal energy output must be no less than 5 percent of the total energy output. Section 292.205(a)(2) (18 C.F.R. § 292.205(a)(2)) establishes the efficiency standard for topping-cycle cogeneration facilities for which installation commenced on or after March 13, 1980: the useful power output of the facility plus one-half the useful thermal energy output must (A) be no less than 42.5 percent of the total energy input of natural gas and oil to the facility; and (B) if the useful thermal energy output is less than 15 percent of the total energy output of the facility, be no less than 45 percent of the total energy input of natural gas and oil to the facility. To demonstrate compliance with the topping-cycle operating and/or efficiency standards, or to demonstrate that your facility is exempt from the efficiency standard based on the date that installation commenced, respond to lines 13a through 13l below.

If you indicated in line 10a that your facility represents *both* topping-cycle and bottoming-cycle cogeneration technology, then respond to lines 13a through 13l below considering only the energy inputs and outputs attributable to the topping-cycle portion of your facility. Your mass and heat balance diagram must make clear which mass and energy flow values and system components are for which portion (topping or bottoming) of the cogeneration system.

|   |                     |
|---|---------------------|
| <b>13a</b> Indicate the annual average rate of useful thermal energy output made available to the host(s), net of any heat contained in condensate return or make-up water                                  | 74,064,848 Btu/h    |
| <b>13b</b> Indicate the annual average rate of net electrical energy output   | 359,812 kW          |
| <b>13c</b> Multiply line 13b by 3,412 to convert from kW to Btu/h   | 1,227,678,544 Btu/h |
| <b>13d</b> Indicate the annual average rate of mechanical energy output taken directly off of the shaft of a prime mover for purposes not directly related to power production (this value is usually zero) | 0 hp                |
| <b>13e</b> Multiply line 13d by 2,544 to convert from hp to Btu/h   | 0.0 Btu/h           |
| <b>13f</b> Indicate the annual average rate of energy input from natural gas and oil  | 2,655,097,018 Btu/h |
| <b>13g</b> Topping-cycle operating value = $100 * 13a / (13a + 13c + 13e)$  | 5.7 %               |
| <b>13h</b> Topping-cycle efficiency value = $100 * (0.5 * 13a + 13c + 13e) / 13f$   | 47.6 %              |

**13i** Compliance with operating standard: Is the operating value shown in line 13g greater than or equal to 5%?

☒ Yes (complies with operating standard) ☐ No (does not comply with operating standard)

**13j** Did installation of the facility in its current form commence on or after March 13, 1980?

☒ Yes. Your facility is subject to the efficiency requirements of 18 C.F.R. § 292.205(a)(2). Demonstrate compliance with the efficiency requirement by responding to line 13k or 13l, as applicable, below.

☐ No. Your facility is exempt from the efficiency standard. Skip lines 13k and 13l.

**13k** Compliance with efficiency standard (for low operating value): If the operating value shown in line 13g is less than 15%, then indicate below whether the efficiency value shown in line 13h greater than or equal to 45%:

☒ Yes (complies with efficiency standard) ☐ No (does not comply with efficiency standard)

**13l** Compliance with efficiency standard (for high operating value): If the operating value shown in line 13g is greater than or equal to 15%, then indicate below whether the efficiency value shown in line 13h is greater than or equal to 42.5%:

☐ Yes (complies with efficiency standard) ☐ No (does not comply with efficiency standard)



## Information Required for Bottoming-Cycle Cogeneration Facility

If you indicated in line 10a that your facility represents bottoming-cycle cogeneration technology, then you must respond to the items on pages 16 and 17. Otherwise, skip pages 16 and 17.

|  |  |   |  |
|--|--|---|--|
| Usefulness of Bottoming-Cycle Thermal Output | <p>The thermal energy output of a bottoming-cycle cogeneration facility is the energy related to the process(es) from which at least some of the reject heat is then used for power production. Pursuant to sections 292.202(c) and (e) of the Commission's regulations (18 C.F.R. § 292.202(c) and (e)), the thermal energy output of a qualifying bottoming-cycle cogeneration facility must be useful. In connection with this requirement, describe the process(es) from which at least some of the reject heat is used for power production by responding to lines 14a and 14b below.</p>   |   |  |
|  | <p><b>14a</b> Identify and describe each thermal host and each bottoming-cycle cogeneration process engaged in by each host. For hosts with multiple bottoming-cycle cogeneration processes, provide the data for each process <i>in separate rows</i>.</p>  |   |  |
|  | <p>Name of entity (thermal host) performing the process from which at least some of the reject heat is used for power production</p>   |   | <p>Thermal host's relationship to facility;<br/>Thermal host's process type</p>  |
|  |  |   | <p>Has the energy input to the thermal host been augmented for purposes of increasing power production capacity? (if Yes, describe on p. 19)</p> |
|  | 1)   | <p>Select thermal host's relationship to facility</p> <p>Select thermal host's process type</p> | <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>  |
|  | 2)   | <p>Select thermal host's relationship to facility</p> <p>Select thermal host's process type</p> | <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>  |
|  | 3)   | <p>Select thermal host's relationship to facility</p> <p>Select thermal host's process type</p> | <p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>  |
|  | <p><input type="checkbox"/> Check here and continue in the Miscellaneous section starting on page 19 if additional space is needed</p>   |   |  |
|  | <p><b>14b</b> Demonstration of usefulness of thermal output: At a minimum, provide a brief description of each process identified above. In some cases, this brief description is sufficient to demonstrate usefulness. However, if your facility's process is not common, and/or if the usefulness of such thermal output is not reasonably clear, then you must provide additional details as necessary to demonstrate usefulness. Your application may be rejected and/or additional information may be required if an insufficient showing of usefulness is made. (Exception: If you have previously received a Commission certification approving a specific bottoming-cycle process related to the instant facility, then you need only provide a brief description of that process and a reference by date and docket number to the order certifying your facility with the indicated process. Such exemption may not be used if any material changes to the process have been made.) If additional space is needed, continue in the Miscellaneous section starting on page 19.</p> |   |  |

Bottoming-Cycle Operating and  
Efficiency Value Calculation

Applicants for facilities representing bottoming-cycle technology and for which installation commenced on or after March 13, 1990 must demonstrate compliance with the bottoming-cycle efficiency standards. Section 292.205(b) of the Commission's regulations (18 C.F.R. § 292.205(b)) establishes the efficiency standard for bottoming-cycle cogeneration facilities: the useful power output of the facility must be no less than 45 percent of the energy input of natural gas and oil for supplementary firing. To demonstrate compliance with the bottoming-cycle efficiency standard (if applicable), or to demonstrate that your facility is exempt from this standard based on the date that installation of the facility began, respond to lines 15a through 15h below.

If you indicated in line 10a that your facility represents *both* topping-cycle and bottoming-cycle cogeneration technology, then respond to lines 15a through 15h below considering only the energy inputs and outputs attributable to the bottoming-cycle portion of your facility. Your mass and heat balance diagram must make clear which mass and energy flow values and system components are for which portion of the cogeneration system (topping or bottoming).

**15a** Did installation of the facility in its current form commence on or after March 13, 1980?

- ☐ Yes. Your facility is subject to the efficiency requirement of 18 C.F.R. § 292.205(b). Demonstrate compliance with the efficiency requirement by responding to lines 15b through 15h below.
- ☐ No. Your facility is exempt from the efficiency standard. Skip the rest of page 17.

**15b** Indicate the annual average rate of net electrical energy output

kW

**15c** Multiply line 15b by 3,412 to convert from kW to Btu/h

⊖ Btu/h

**15d** Indicate the annual average rate of mechanical energy output taken directly off of the shaft of a prime mover for purposes not directly related to power production (this value is usually zero)

hp

**15e** Multiply line 15d by 2,544 to convert from hp to Btu/h

⊖ Btu/h

**15f** Indicate the annual average rate of supplementary energy input from natural gas or oil

Btu/h

**15g** Bottoming-cycle efficiency value =  $100 * (15c + 15e) / 15f$

⊖ %

**15h** Compliance with efficiency standard: Indicate below whether the efficiency value shown in line 15g is greater than or equal to 45%:

☐ Yes (complies with efficiency standard)

☐ No (does not comply with efficiency standard)



## Certificate of Completeness, Accuracy and Authority

Applicant must certify compliance with and understanding of filing requirements by checking next to each item below and signing at the bottom of this section. Forms with incomplete Certificates of Completeness, Accuracy and Authority will be rejected by the Secretary of the Commission.

Signer identified below certifies the following: (check all items and applicable subitems)

- ☒ He or she has read the filing, including any information contained in any attached documents, such as cogeneration mass and heat balance diagrams, and any information contained in the Miscellaneous section starting on page 19, and knows its contents.
- ☒ He or she has provided all of the required information for certification, and the provided information is true as stated, to the best of his or her knowledge and belief.
- ☒ He or she possess full power and authority to sign the filing; as required by Rule 2005(a)(3) of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2005(a)(3)), he or she is one of the following: (check one)
- ☐ The person on whose behalf the filing is made
  - ☒ An officer of the corporation, trust, association, or other organized group on behalf of which the filing is made
  - ☐ An officer, agent, or employee of the governmental authority, agency, or instrumentality on behalf of which the filing is made
  - ☐ A representative qualified to practice before the Commission under Rule 2101 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2101) and who possesses authority to sign
- ☒ He or she has reviewed all automatic calculations and agrees with their results, unless otherwise noted in the Miscellaneous section starting on page 19.
- ☒ He or she has provided a copy of this Form 556 and all attachments to the utilities with which the facility will interconnect and transact (see lines 4a through 4d), as well as to the regulatory authorities of the states in which the facility and those utilities reside. See the Required Notice to Public Utilities and State Regulatory Authorities section on page 3 for more information.

Provide your signature, address and signature date below. Rule 2005(c) of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2005(c)) provides that persons filing their documents electronically may use typed characters representing his or her name to sign the filed documents. A person filing this document electronically should sign (by typing his or her name) in the space provided below.

Your Signature

Carlos A. Reyes Berrios

Your address

641 Road 337  
Peñuelas, PR 00624-9804

Date

7/9/2019

Audit Notes

Commission Staff Use Only:



## Miscellaneous

Use this space to provide any information for which there was not sufficient space in the previous sections of the form to provide. For each such item of information *clearly identify the line number that the information belongs to*. You may also use this space to provide any additional information you believe is relevant to the certification of your facility.

Your response below is not limited to one page. Additional page(s) will automatically be inserted into this form if the length of your response exceeds the space on this page. Use as many pages as you require.

(Continued from Technical Information section, question 7.h):

The transmission lines extend from the substation located on the Facility site to the utility substation located adjacent to the Puerto Rico Electric Power Authority's Costa Sur Steam Power Plant. The total length of the transmission lines is approximately two miles. The transmission lines are exclusively dedicated to the delivery of the electricity between the Facility and the Puerto Rico Electric Power Authority, and will not deliver electricity to third parties. The main building associated with the Facility houses the steam turbine generator, condenser, control room, electrical room, battery room, maintenance area, offices, locker and restroom area and other plant auxiliaries. Administrative and storage buildings are also on the Facility site.

Related to Technical Information section, questions 7.a and 7.b, it references the most favorable anticipated design conditions or design rating. EcoEléctrica decided to reflect the most accurate information based on a recent peak capacity test after the upgrade on March 2019. The Heat and Mass Balance has been updated based on the test measured values so that it represent the most accurate information of the increases in capacity made to the facility. At the beginning of the previous paragraph answering the question 7.h, it is stated the design rating capacity of the combustion turbine and steam turbine with a total gross rated design capacity in 584 MW; a nominally rated auxiliary consumption power of 20 MW for a total Net rated design capacity of 564 MW.

(Description and discussion required under the EPCAct 2005 Requirements section, question 11.c and 11.d):

EcoEléctrica replaced certain components of its two combined-cycle gas turbines. These changes reduced air leakage in the axial compressor and turbine resulting in an increase of compressor capacity and power output to improve efficiency or decrease heat rate of the plant; it allows the turbines to produce additional electricity from 175 MW to 183 MW without increasing the amount of fuel consumed in the turbine and duct burners. The increased efficiency in electricity production has been achieved without any physical changes made to any of the burners. The electrical output of the turbines increased from 460 to 500 MW approximately (+/- 4 MW, depending on ambient conditions) without duct burners. This in turn results in less fuel being burned at the fired duct burners to achieve the contracted capacity of 507 MW output to the Puerto Rico Electric Power Authority (PREPA). The Facility's net dependable capacity also increased from 522 MW to 544 MW. The actual amount of electrical power generated after the changes at the Facility were completed will not be altered since EcoEléctrica already reaches its contracted production levels and such levels will remain the same until the end of the current contract with PREPA in 2022. However, at the end of the existing power purchase agreement in 2022, EcoEléctrica and PREPA could agree to increase the capacity available to PREPA up to its newly increased capacity level.

Corresponding to the design, operation and production of the facility electrical output, the changes are not a substantial alteration and do not have any effect on the Qualifying Facility determination and do not render the facility a "new" co-generation facility. The changes increase the net power production (dependable capacity) but do not alter the export process energy requirement to the thermal hosts (Desalination Plant).



## Miscellaneous (continued)

(Description of Usefulness of Topping-Cycle thermal Output section, question 12.b):

The useful thermal energy output from the Facility is delivered in the form of process steam to a desalination plant located adjacent to the Facility. The desalination plant is composed of two Multi-Effect Distillation (MED) units of 1 Million of gallon per day each, utilizes the steam to heat seawater until it vaporizes, then condenses that vaporized seawater into distilled, highly demineralized water. The commission found that this product (distilled water) is presumptively useful in the context of the EcoEléctrica Facility, (EcoEléctrica, L.P., 77 FERC 68,117 (1996)); See also Wilbur Power LLC, 103 FERC 61,183 at P 10 (2003); "The Commission has found that the use of steam to produce distilled water is common and thus presumptively useful for purposes of meeting the Commission's definition of a co-generation facility". Pursuant to the Water Supply Agreement between the Puerto Rico Aqueduct and Sewer Authority (PRASA), the Puerto Rico Electric Power Authority (PREPA) and EcoEléctrica, all of the desalinated, distilled water produced by the desalination plant is sold to PRASA, an unaffiliated independent third party and the principal supplier of water services of Puerto Rico. PRASA resells the water that it purchases from the Facility to various industrial, commercial and public sector customers, including sales back to the Facility and to the PREPA. After further treatment, the Facility and the PREPA will use the water purchased from PRASA at their electric generation facilities. The Facility uses the water as boiler make-up, drinking, sanitary and wash down water. Consistent with Commission precedent, all of the thermal energy used to produce desalinated water that is sold to PRASA is included for the purpose of calculating the operating standard in this recertification, whether or not PRASA resells such water to the PREPA or the Facility. The recent changes increase the net power production but do not alter the export process energy requirement to the Desalination Plant.

(Related to Question 12.a):

The value provided is the net useful thermal output, defined by:

- the export process energy:  $(\text{process steam to desalination plant flow}) * (\text{process steam enthalpy} - \text{make up enthalpy})$
- the return process energy:  $(\text{desalination condensate return flow}) * (\text{condensate return enthalpy} - \text{make up enthalpy})$

Net USEFULL ENERGY: export process energy - return process energy.

(Description of changes, see Application Information section, question 1.1):

EcoEléctrica replaced certain components of its two combined-cycle gas turbines. These changes reduced air leakage in the axial compressor and turbine resulting in an increase of compressor capacity and power output to improve efficiency or decrease heat rate of the plant; it allows the turbines to produce additional electricity from 175 MW to 183 MW without increasing the amount of fuel consumed in the turbine and duct burners. The increased efficiency in electricity production has been achieved without any physical changes made to any of the burners. The electrical output of the turbines increased from 460 to 500 MW approximately (+/- 4 MW, depending on ambient conditions) without duct burners. This in turn results in less fuel being burned at the fired duct burners to achieve the contracted capacity of 507 MW output to the Puerto Rico Electric Power Authority (PREPA). The Facility's net dependable capacity also increased from 522 MW to 544 MW. The actual amount of electrical power generated after the changes at the Facility were completed will not be altered since EcoEléctrica already reaches its contracted production levels and such levels will remain the same until the end of the current contract with PREPA in 2022. However, at the end of the existing power purchase

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**Miscellaneous (continued)**

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agreement in 2022, EcoEléctrica and PREPA could agree to increase the capacity available to PREPA up to its newly increased capacity level. This form already reflects in the calculations and information hereby presented the increases in capacity made to the facility.

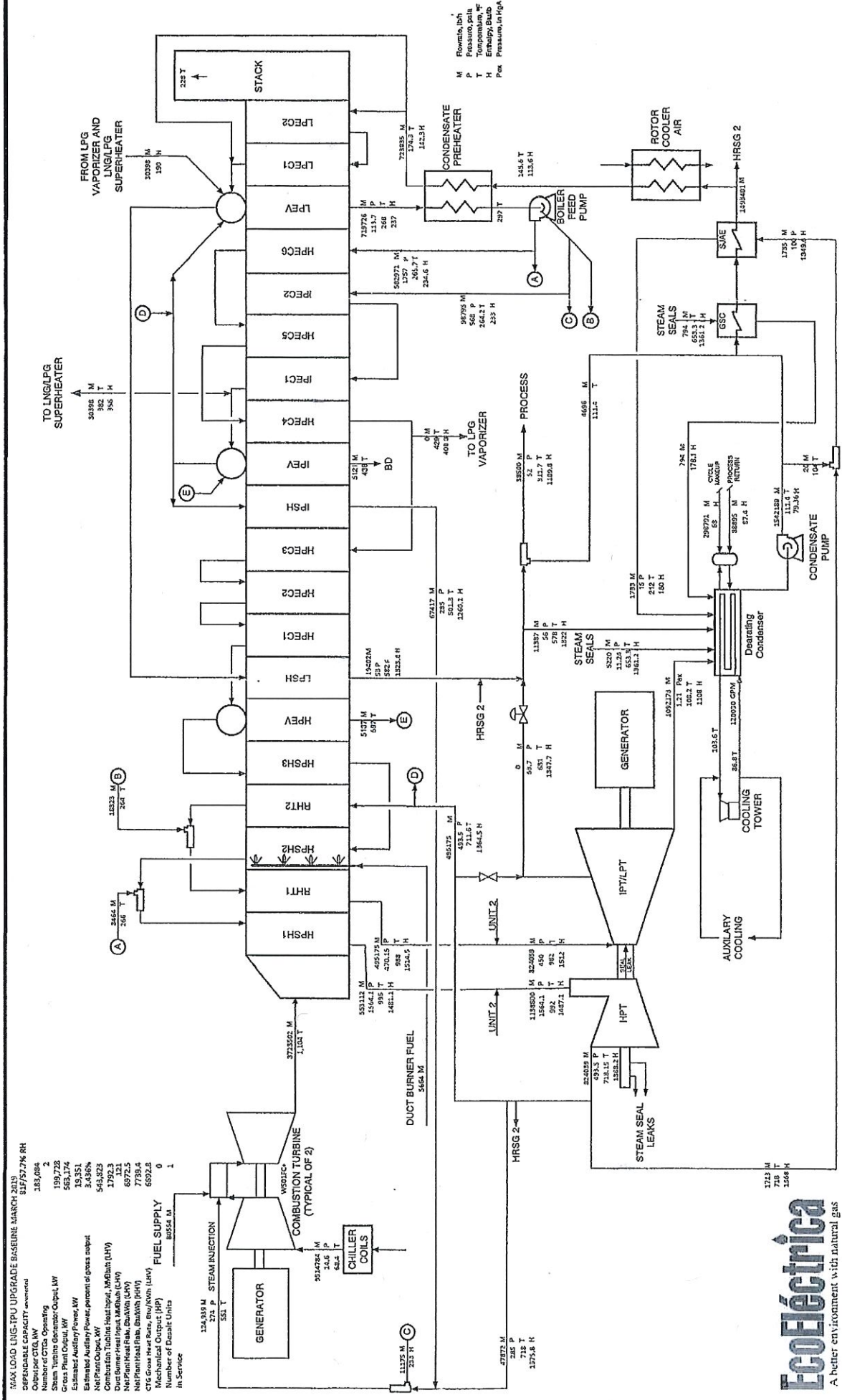
(Further description of ownership, administrative and power generation changes made at the facility and identified in the Information Section 1.1):

Power production capacity changes: The power production capacity changes made at the facility were discussed in previous pages.



1654 LOAD, 1654 TPU UPGRADE BASELINE, MARCH 2019  
 OPERATIONAL CAPACITY, MARCH 2019  
 817/52.7% RH

|  |         |
|--|---------|
| Number of CTGs Operating                           | 2       |
| Steam Turbine Generator Output, MW                 | 158,094 |
| Steam Turbine Output, MW                           | 199,728 |
| Gas Plant Output, MW                               | 563,174 |
| Estimated Auxiliary Power, percent of gross output | 13.351  |
| Net Plant Output, MW                               | 543,823 |
| Combined Turbine Heat Input, MMBtu/h (LHV)         | 1792.3  |
| Combined Turbine Heat Input, MMBtu/h (HHV)         | 1972.5  |
| Net Plant Heat Rate, Btu/kWh (LHV)                 | 6972.5  |
| Net Plant Heat Rate, Btu/kWh (HHV)                 | 7739.4  |
| CTG Gross Heat Rate, Btu/kWh (LHV)                 | 6592.8  |
| Mechanical Output (HP)                             | 0       |
| Number of Diesel Units                             | 1       |
| In Service   | 1       |



**EcoEléctrica**  
 A better environment with natural gas

ECOELÉCTRICA Península TPU Upgrade





From: eFiling@ferc.gov <eFiling@ferc.gov>  
Sent: Wednesday, July 10, 2019 12:20 PM  
To: Héctor L Martínez <hector.martinez@ecoelectrica.com>; efilingacceptance@ferc.gov  
Subject: FERC Acceptance for Filing in QF95-328-009

Acceptance for Filing  
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The FERC Office of the Secretary has accepted the following electronic submission for filing (Acceptance for filing does not constitute approval of any application or self-certifying notice):

-Accession No.: 201907095133  
-Docket(s) No.: QF95-328-009  
-Filed By: EcoElectrica, L.P.  
-Signed By: Adam Wenner  
-Filing Type: Qualifying Facility Application or PURPA Energy Utility Filing -Filing Desc: Application for Commission Recertification of Qualifying Facility Status of EcoElectrica, L.P. under QF95-328.  
-Submission Date/Time: 7/9/2019 12:01:52 PM -Filed Date: 7/9/2019 12:01:52 PM

Your submission is now part of the record for the above Docket(s) and available in FERC's eLibrary system at:

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