

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



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

CASE NO.: NEPR-AP-2019-0001

SUBJECT: Resolution extending the term to address the Puerto Rico Electric Power Authority's *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.*

RESOLUTION AND ORDER

On November 27, 2019, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a *Resolution and Order* ("November 27 Resolution and Order") through which, among other things, determined, without prejudice, that, at that time, the proposed Amended and Restated Power Purchase and Operating Agreement between EcoEléctrica, L.P. ("EcoEléctrica") and the Puerto Rico Electric Power Authority ("PREPA"), and the proposed Amended and Restated Natural Gas Sale and Purchase Agreement between Naturgy Aprovevisionamientos, S.A. ("Naturgy") and PREPA (collectively "the Agreements"), were contrary to the public interest.¹ As such, the Energy Bureau denied PREPA's *Request for Approval of Amended and Restated Power Purchase Agreement with EcoEléctrica and Natural Gas Sale and Purchase Agreement with Naturgy; Request for Confidential Treatment of this Letter and Accompanying Attachments.*²

On December 9, 2019, PREPA filed a document titled *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* ("Request for Reconsideration"). Through its Request for Reconsideration, PREPA requested the Energy Bureau to reconsider the November 27 Resolution and Order. On December 18, 2019, the Energy Bureau issued a *Resolution*,

¹ November 27 Resolution and Order, p. 12.

² *Id.*

through which it notified the parties in the instant case that it will consider the Request for Reconsideration, pursuant to Section 3.15 of Act 38-2017.³

After several procedural instances, on February 14, 2020, the Energy Bureau held a Technical Conference ("February 14 Technical Conference") in which PREPA's representatives provided additional information and answered the Energy Bureau's questions regarding the Agreements, including the possible effects the recent seismic events could have on the Agreements. During the Technical Hearing, the Energy Bureau took administrative knowledge of PREPA's answers to the Energy Bureau's Request for Information No. 10 ("ROI #10"), issued as part of Case No. CEPR-AP-2018-0001, *In Re: Review of the Puerto Rico Electric Power Authority Integrated Resource Plan*.⁴

Section 3.15 of Act 38-2017 establishes, in the pertinent part, that once a party to a proceeding files a request for reconsideration, the Agency will have ninety (90) days, from the date such request is filed, to issue and notify its final determination. Notwithstanding the above, the referenced Section 3.15 also establishes that the Agency could extend, for just cause, the ninety-day term by an additional thirty (30) days, if such extension is done within the original ninety-day term.

As we stated before, PREPA filed its Request for Reconsideration on December 9, 2019. Therefore, the ninety-day term expires on March 9, 2020.⁵ Due to the complexity of the analysis needed to address PREPA's Request for Reconsideration, in light of the new arguments brought therein and the new information obtained at the February 14 Technical Conference and through PREPA's answers to ROI #10, the Energy Bureau **DETERMINES** that there is just cause to extend the original ninety-day term to address such request, by an additional thirty (30) days, in accordance with the provisions of Section 3.15 of LPAU. As such, the Energy Bureau hereby **EXTENDS** the referenced term by an additional thirty (30) days. The Energy Bureau will issue its final determination on PREPA's Request for Reconsideration on or before April 8, 2020.

Be it notified and published.



³ *The Uniform Administrative Procedure of the Government of Puerto Rico Act*, as amended ("LPAU").

⁴ The Energy Bureau issued ROI #10 on December 13, 2019. PREPA provided its answers to ROI #10 on January 22, 2020. PREPA also provided supplementary answers to ROI #10 on January 29, 2020. See, The Puerto Rico Electric Power Authority's Responses to the Puerto Rico Energy Bureau's Tenth Requirement of Information, Case No. CEPR-AP-2018-0001, January 22, 2020, and The Puerto Rico Electric Power Authority's Supplemental Responses to the Puerto Rico Energy Bureau's Tenth Requirement of Information, Case No. CEPR-AP-2018-0001, January 29, 2020.

⁵ The ninetieth (90th) day after December 9, 2019 was March 8, 2020. However, March 8, 2020 was a Sunday, therefore the term is automatically extended to the next business day, March 9, 2020.

Ángel R. Rivera de la Cruz
Associate Commissioner

Lillian Mateo Santos
Associate Commissioner

Ferdinand A. Ramos Soegaard
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on March 9, 2020. The Chairman Edison Avilés Deliz dissented without written opinion. I also certify that on March 9, 2020 a copy of this Resolution and Order was notified by electronic mail to the following: astrid.rodriquez@prepa.com, jorge.ruiz@prepa.com, n-vazquez@aepr.com, c-aquino@prepa.com, adiaz@diazvaz.law, mvazquez@diazvaz.law and kbolanos@diazvaz.law. I also certify that today, March 9, 2020, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau and I have sent a true and exact copy to the following:

Puerto Rico Electric Power Authority

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For the record, I sign this in San Juan, Puerto Rico, today March 9, 2020.

Wanda I. Cordero Morales

Wanda I. Cordero Morales
Clerk

