

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

NEPR

*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 NUM: NEPR-AP-2019-0001  
SUBJECT: ARCTAS CAPITAL GROUP, LP MOTION FOR RECONSIDERATION OF THE APPROVAL OF THE AGREEMENTS  
**Received: May 5, 2020 7:14 PM**

**ARCTAS CAPITAL GROUP, LP MOTION FOR RECONSIDERATION OF THE APPROVAL OF THE AGREEMENTS**

**TO THE HONORABLE PUERTO RICO ENERGY BUREAU:**

**NOW COMES ARCTAS CAPITAL GROUP, LP ("ARCTAS")**, through its legal representative and authorized officer, petitions this Honorable Puerto Rico Energy Bureau ("Energy Bureau") to reconsider its approval of the PREPA agreements with EcoEléctrica and Naturgy.

**Introduction**

1. On November 5, 2019 the Puerto Rico Electric Power Authority ("PREPA") filed before the Energy Bureau a document titled 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 its Letter and Accompanying Attachments ("Petition") under Case No. NEPR-AP-2019-0001. In its Petition, PREPA requested the Energy Bureau, pursuant to Section 7.1 of Regulation 8815, review and approve an Amended and Restated Power Purchase and Operating Agreement between EcoEléctrica, L.P. ("EcoEléctrica") and the PREPA (the "ECO PPOA") and the Amended and Restated Natural Gas Sale and Purchase Agreement between Naturgy Aproveisionamientos S.A. ("Naturgy") and the PREPA (the "Naturgy GSPA") - the ECO PPOA and the Naturgy GSPA together are the "Agreements."
2. On February 13, 2020, Arctas filed a motion titled Arctas Capital Group, LP Informative Motion Presenting Recommendations for the Proposed Approval of The EcoEléctrica Agreements ("Arctas Informative Motion") in the Case No. CEPR-AP-2018-0001 Review of the Puerto

Rico Electric Power Authority Integrated Resource Plan. The Informative Motion included key determinations and recommendations for the Energy Bureau analysis on the then proposed approval of the Agreements.

3. On March 6, 2020, Arctas submitted its Final Substantive and Legal Brief in the Case No. CEPR-AP-2018-0001 Review of the Puerto Rico Electric Power Authority Integrated Resource Plan ("Arctas Legal Brief"). The Arctas Legal Brief includes recommendations regarding the then proposed Agreements.
4. On March 11, 2020 in this proceeding Case No. NEPR-AP-2019-0001, Request for Approval of Amended and Restated Power Purchase and Operating Agreement with EcoEléctrica and Natural Gas Sale and Purchase Agreement with Naturgy, the Energy Bureau issued a Resolution and Order that approved the Agreements ("Approval Order").
5. On April 27, 2020, in this proceeding Case No. NEPR-AP-2019-0001, Request for Approval of Amended and Restated Power Purchase and Operating Agreement with EcoEléctrica and Natural Gas Sale and Purchase Agreement with Naturgy, a group comprised of ten environmental and community organizations ("Environmental and Community Organizations") together with the Union de Trabajadores de la Industria Electrica y Riego ("UTIER"), submitted a motion that requested the Energy Bureau reconsider approval of the Agreements ("Motion to Reconsider").
6. Act No. 38-2017, Section 3.15 allows entities twenty days to file a motion requesting that the Energy Bureau reconsider the order. Since the Energy Bureau issued its Approval Order on March 11, 2020, the deadline to file a motion would be March 31, 2020. On March 16, 2020, Case No. NEPR-MI-2020-0005, the Energy Bureau issued an Order extending all deadlines to March 31, 2020, and then in two subsequent orders further extended the deadline to May 3, 2020. Because May 3, 2020 was a Sunday, the deadline becomes the following workday, which is May 4, 2020. On May 3, 2020, the Energy Bureau issued another Order extending all deadlines to May 25, 2020, inclusive. Therefore, this motion is timely.

**Petition**

7. For the reasons set forth in the Arctas Informative Motion and Arctas Legal Brief, and those set forth in this Motion for Reconsideration, Arctas respectfully urges that the Energy Bureau reconsider its decision to approve the Agreements.
8. As indicated in the Arctas Informative Motion and Arctas Legal Brief in Case No. CEPR-AP-2018-0001, the approvals were based on incomplete disclosures by the parties to those contracts. The Agreements raise sufficient questions of law and fact (including whether they comply with a critical framework of Puerto Rican law regarding government fuel procurement) to justify a reopening of the approval process, which would allow the parties to the Agreements to address the points made in the aforementioned filings by Arctas, UTIER, and the Environmental and Community Organizations, and allow the Energy Bureau to then make a full and thorough evaluation.
9. Moreover, given (i) the existing agreements continue for the next 22 months, with hundreds of millions of dollars of ratepayer money at stake over the next 12 years, and (ii) the significant change in the global oil and LNG markets and pricing brought on by the COVID-19, the reasons to reopen the approval process far outweigh whatever inconvenience may result to the contracting parties from doing so.

**WHEREFORE**, we kindly and respectfully urge the Energy Bureau reconsider its decision to approve the Agreements in the instant case.

**WE CERTIFY** that this day we have sent this Motion for Reconsideration in Case No. NEPR-AP-2019-0001 using the Energy Bureau's electronic filing tool at: <https://radicacion.energia.pr.gov>.

**RESPECTFULLY SUBMITTED** in San Juan, Puerto Rico, this May 5, 2020.

s/ Antonio Torres-Miranda

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**CERTIFICATE OF SERVICE**

We hereby certify that; a copy of the filling was sent via e-mail to:

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