

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



IN RE: REQUEST FOR CERTIFICATION  
SUNRUN, INC.

CASE NO.: NEPR-CT-2019-0002

SUBJECT: Request for Certification as  
Electric Service Providers.

**RESOLUTION**

**I. Introduction and Description of the System**

On August 23, 2019, Sunrun, Inc. ("Sunrun") filed before the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") a letter related to its Request for Certification as Electric Service Providers ("Request"), pursuant to the provisions of Regulation 8701.<sup>1</sup> Attached to its Request, Sunrun included several documents, identified as follows:

1. Request for Certification of Electric Power Companies Form ("Request for Certification");
2. Continuation Sheet re: Information on Affiliate or Subsidiary Entities;
3. Personal Information Form ("Personal Information");
4. Gross Revenue and Financial Statements Report;
5. Annex 1;
6. Annex 2(1);
7. Annex 2(1A);
8. Annex 2(1B);
9. Annex 2(2);
10. Annex 2(3);
11. Annex 2(4);
12. Annex 2(5);
13. Checks addressed to the *Puerto Rico Energy Bureau* for the quantities of \$2,500, \$100 y \$800;
14. Stamped Copy of Operational Report;
15. Motion Requesting Confidential Treatment ("Motion for Confidential Treatment").

<sup>1</sup> Amendment to Regulation No. 8618, on Certifications, Annual Fees and Operational Plans of Electric Service Providers in Puerto Rico, February 5, 2016.

On October 28, 2019, the Energy Bureau issued a Resolution and Order ("October 28 Resolution") through which it granted confidential treatment and designation to the documents detailed in the Motion for Confidential Treatment.<sup>2</sup>

On February 10, 2020, the Energy Bureau informed<sup>3</sup> Sunrun that the Request for Certification form, as filed, did not contain the signature of the company's designated contact certifying that the presented information in the form is correct and complete, as required by Section 3.03(D) of Regulation 8701. The Energy Bureau provided a term of ten (10) days for Sunrun to submit a compliant form. On the same date, Sunrun complied with the Energy Bureau's request.

Sunrun is a Corporation, organized in the State of Delaware.<sup>4</sup> According to the Request for Certification, Sunrun provides electric services related to distributed generators with aggregated capacity or one (1) MW or more, using solar energy sources combined with storage systems on residential rooftops.

## II. Regulation 8701 and Analysis

Act 57-2014<sup>5</sup> requires electric service companies<sup>6</sup> to obtain a certification<sup>7</sup> as such to provide services in Puerto Rico, in addition to filing specific information pursuant to the requirements established by the Energy Bureau. Regulation 8701 specifies the requirements that any electric service company must comply with in order to provide electric services in Puerto Rico.

Section 2.01 of Regulation 8701 establishes the information that all electric service companies intending to offer services in Puerto Rico must file along with the Request for Certification. Section 2.02 of Regulation 8701 details the information that must be included

<sup>2</sup> October 28 Resolution, Case No. NEPR-CT-2019-0002, October 28, 2019.

<sup>3</sup> See Letter, Request for Certification Form Correction, from the Energy Bureau's Planning and Engineering Office addressed to Ms. Jeanna Steele, February 10, 2020.

<sup>4</sup> Personal Information, p. 1.

<sup>5</sup> *Puerto Rico Energy Transformation and RELIEF Act*, as amended.

<sup>6</sup> Section 1.3(l) of Act 57-2014 defines the term "Electric Power Company" or "Electric Power Service Company" as follows: "Shall mean any natural or juridical person or entity, energy cooperative, engaged in the provision of generation services, transmission and distribution services, billing, wheeling, grid services, energy storage, resale of electric power as well as any other electric power service as defined by the Bureau. The Electric Power Authority or its successor as well as any Contractor under a Partnership or Sales Contract executed in relation to PREPA Transactions conducted by virtue of Act No. 120-2018 shall be deemed Electric Power Service Companies for purposes of this Act."

<sup>7</sup> See Section 6.13 of Act 57-2014. See, also, Section 1.3(h) which establishes that the term "Certified", "Shall mean every electric power service company that has been evaluated and authorized by the Energy Bureau."





in the Operational Report to be filed by electric service companies. Section 3.03 of Regulation 8701 establishes the information that shall be included in the Request for Certification.

As part of the filed Personal Information, Sunrun established that it included (i) Copy of the Company's Incorporation and Register Certificate, (ii) Copy of the Good Standing Certificate issued by the Puerto Rico State Department, (iii) Copy of the Authorization Certificate to do business in Puerto Rico, (iv) Complementary Sheet (NEPR-Z01), and (v) Complementary Sheet for Affiliate or Subsidiary Entities Information (NEPR-B02). However, upon review of the information contained in the administrative file, Sunrun did not include a Copy of the Company's Incorporation and Register Certificate nor a Copy of the Good Standing Certificate issued by the Puerto Rico State Department.

Additionally, Sunrun listed six (6) Affiliate or Subsidiary Entities, for which it included the Incorporation and Register Certificates, and Good Standing Certificates as follows.<sup>8</sup>

Company	Incorporation and Register Certificate	Good Standing Certificate
Sunrun Sirius Owner 2018, LLC	X	X
Sunrun Sirius Manager 2018, LLC	X	X
Sunrun PR Operations, LLC	X	
Sunrun Cygnus Manager 2018, LLC		X
Sunrun Cygnus Owner 2018, LLC		X
Sunrun Installation Services Inc.	X	X

It is important to note that Sunrun did not provide an explanation of its corporate structure, or the relationship between Sunrun and its Affiliate or Subsidiary Entities. Moreover, Sunrun did not describe its relationship with its Affiliate or Subsidiary Entities. Moreover, Sunrun did not describe the type of service or services its Affiliate or Subsidiary Entities will provide to its clients nor did Sunrun described its relationship to such services. From the information provided it is not clear the type of services Sunrun will provide.

Pursuant to Section 2.02(A)(1) of Regulation 8701, as part of the information provided with the Operational Report, Sunrun submitted company's projections regarding the demand it intends to supply. The Operational Report also included capital investments and information on the entity to be contracted in such cases where all or part of the system's operation is to be contracted to another entity. Additionally, Sunrun provided a copy of a "Prepaid Agreement", for which Sunrun requested confidential treatment. The Energy Bureau granted such request. However, it is not clear from the information presented as to the charges and rates that customers will be paying for the service provided, pursuant to the requirements of Section 2.02(A)(1)(b) of Regulation 8701. In addition, it is not clear what is

<sup>8</sup> Pursuant Section 2.01(A)(12) of Regulation 8701, all electric service providers intending to provide services in Puerto Rico shall file "The information required in Subsections (A)(1), (2), and (3) for each one of the affiliate or subsidiary entities of the company as well as the parent companies that, in turn are electric service companies and that provide services in Puerto Rico."



the economic relationship between Sunrun and its clients with regards to the sale of electricity or electric services.



Through its Request for Certification, Sunrun established that it included copy of permits, authorizations and endorsements obtained to operate, do business and provide services in Puerto Rico, pursuant to Section 3.03(A)(5) of Regulation 8701.<sup>9</sup> However, upon review of the information contained in the administrative file, the aforementioned documents were not included as part of the Request for Certification.

### III. Evaluation of the Request

Upon review of the documents filed by Sunrun as part of its Request for Certification, the Energy Bureau **DETERMINES** that additional information is required (i) for Sunrun request to be complete pursuant to the provisions of Regulation 8701, and (ii) before a complete evaluation can be performed. Therefore, Sunrun must present the following information, and/or related documents:

1. Documents marked as annexes to the Personal Information, but not filed. Specifically, (i) Copy of the Company's Incorporation and Register Certificate, and (ii) Copy of the Good Standing Certificate issued by the Puerto Rico State Department.
2. Copy of the Incorporation and Register Certificate and Copy of the Good Standing Certificate for each Affiliate or Subsidiary entity, pursuant to Section 2.01(A)(12) of Regulation 8701.
3. Provide a description of Sunrun corporate structure to include: (i) an explanation on the relationship between Sunrun and its Affiliate or Subsidiary Entities; (ii) a description of the relationship Sunrun has with each Affiliate or Subsidiary Entity, as well as the relationships among the Affiliate or Subsidiary Entities; (iii) a description of the type of service Sunrun and each of its Affiliate or Subsidiary Entities will provide; (iv) a description of how such services relate to Sunrun clients.
4. Provide a description of the relationship Sunrun and its Affiliate or Subsidiary Entities have with its clients in each of the evaluation, negotiation, contract, installation and operation stages. Include in such description the interaction of Sunrun with its Affiliate and Subsidiary Entities, and the interaction among the Affiliate and Subsidiary Entities, during each stage.
5. Provide a detailed description of the economic relationship between Sunrun, its Affiliate or Subsidiary Entities, and Sunrun clients. Such description must include all costs, rates and charges related to the sale of electricity or electric services to Sunrun clients. This must include a specific description of the type of electric


<sup>9</sup> Request for Certification, p. 4.



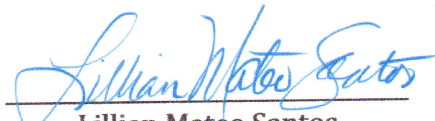
services provided by Sunrun and its Affiliate or Subsidiary Entities as they relate to such costs, rates and charges.

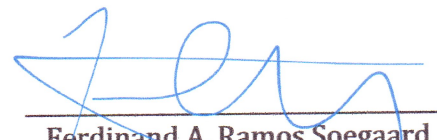
The Energy Bureau **GRANTS** Sunrun a term of twenty (20) days, from the notification of this Resolution, to file with the Energy Bureau the required information. If needed, this term may be extended upon request.

Be it notified and published.

  
Edison Avilés Deliz  
Chairman

  
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 May 6, 2020. I also certify on May 6, 2020 a copy of the Resolution was notified by electronic mail sent to jeanna.steele@sunrun.com and ivc@mcvpr.com. I also certify that this is a true and exact copy of the Resolution issued by the Puerto Rico Energy Bureau and I have proceeded with the filing of this Resolution.

For the record, I sign this in San Juan, Puerto Rico, today, May 6, 2020.

  
Wanda I. Cordero Morales  
Clerk

