

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



IN RE: REQUEST FOR CERTIFICATION  
PASH ENERGY, LLC.

CASE NO.: NEPR-CT-2020-0006

SUBJECT: Request for Certification as  
Electric Service Provider.

**RESOLUTION**

**I. Introduction**

On August 25, 2020, PASH Energy, LLC ("PASH Energy") filed before the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") a letter regarding its Request for Certification as Electric Service Providers ("Request"), under Regulation 8701.<sup>1</sup> Attached to its Request, PASH Energy included several documents:

1. Annex A:<sup>2</sup> Personal Information Form, NEPR-B01;
2. Annex B:<sup>3</sup> Request for Certification of Electric Power Companies Form, NEPR-B04;
3. Annex C:<sup>4</sup> Operational Report Form, NEPR-B03;
4. Annex D: Evidence of payment of fees;<sup>5</sup>
5. Annex E: Evidence of the referral of the Operational Report to the Energy Public Policy Program of the Department of Economic Development and Commerce.

PASH Energy is a Limited Liability Company organized under the laws of Puerto Rico. According to its Request, PASH Energy intends to operate as an electric power generation, transmission and distribution company. Specifically, PASH Energy seeks to provide distributed generation through rooftop solar PV system for its Client, with which it has entered into a Power Purchase Agreement ("PPA"). According to its Request for Certification, the aggregated capacity of the company is established as 0.183 MW. PASH

<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. Regulation 8701 was amended by Regulation 9182, Amendment to Regulation No. 8701, on Certifications, Annual Fees and Operational Plans of Electric Service Providers in Puerto Rico, June 8, 2020.

<sup>2</sup> Includes Annex A-1 and Annex A-2.

<sup>3</sup> Includes Annexes enumerated B-1 through B-8.

<sup>4</sup> Includes Annexes enumerated C-1 through C-6.

<sup>5</sup> Check No. 1284 addressed to the Puerto Rico Energy Bureau in the amount of \$900.00.

Energy plans to locate its systems in new facilities in the municipalities of San Juan and Caguas. Furthermore, PASH Energy specified that the facility is in its possession through roof top surface rights granted by its Client by virtue of an agreement. However, PASH Energy did not provide additional information regarding the PPA or the surface rights agreement.

## II. Regulation 8701 and Analysis

In addition to filing specific information pursuant to the requirements established by the Energy Bureau, Act 57-2014<sup>6</sup> requires electric service companies<sup>7</sup> to obtain a certification<sup>8</sup> as such to provide services in Puerto Rico.

The Energy Bureau's Regulation 8701 specifies the requirements that any electric service company must comply with 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 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.

### A. Personal Information

As part of the Personal Information, PASH Energy submitted (i) a copy of the Company's Incorporation and Register Certificate and (ii) a copy of the Good Standing Certificate issued by the Puerto Rico State Department. The aforementioned information was presented under the requirements of Section 2.01 of Regulation 8701.

### B. Operational Report

Pursuant to Section 2.02(A)(1) of Regulation 8701, PASH Energy provided information on the percentage of total energy demand to be satisfied through the provision of its services.<sup>9</sup> Additionally, PASH Energy provided information on the charges and rates to

<sup>6</sup> Puerto Rico Energy Transformation and RELIEF Act, as amended.

<sup>7</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>8</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."

<sup>9</sup> Annex C-1. PASH Energy requested confidential treatment for the referenced Annex.





be charged to its Client, pursuant to a PPA.<sup>10</sup> PASH Energy also explained the efforts to inform the benefits of conservation and efficiency of electric power consumption<sup>11</sup> and projection of capital investments.<sup>12</sup> Furthermore, PASH Energy provided evidence of the submission of its operational report for comments from the Energy Public Policy Program of the Department of Economic Development and Commerce, pursuant to the requirements of Section 2.02(E) of Regulation 8701.<sup>13</sup>

### *C. Request for Certification*

As part of its Request for Certification, PASH Energy included (i) information regarding contracts or legal transactions with PREPA or other electric power companies; (ii) a statement certified by a Certified Public Accountant that attests minimum financial resources; (iii) a statement affirming the sufficiency of human resources; (iv) copy of permits, authorizations or endorsements obtained to operate; (v) a certification stating that the company has obtained all permits, and has the financial capacity and solvency, for constructing new facilities; (vi) description of technical specifications; (vii) amount of installed systems; and (viii) a list of equipment to be used for the provision of services.

As stated above, PASH Energy intends to provide services through distributed generation, using renewable energy resources. PASH Energy established, in an explanation memo regarding its intended operation, that it will provide services through a PPA with its Client. Upon review of the documents, a copy of the referred PPA between PASH Energy and its Client was not submitted.

Based on the information in the administrative file, PASH Energy seeks to provide services in two of its Client's facilities, with an aggregate capacity of 0.183 MW. Furthermore, it appears that the company's intention is to increase the installation effort and provide services to more facilities.

### **III. Evaluation of the Request**

Section 1.08(A)(5) of Regulation 8701 establishes the definitions for an "Electric Service Company" to determine the specific requirements of the Regulation that each category of company must comply with. In specific, Section 1.08(A)(5)(c)(i) defines an "Electric Service Company" as any natural or legal person that offers these services:

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<sup>10</sup> Annex C-2. PASH Energy requested confidential treatment for the referenced Annex.

<sup>11</sup> Annex C-3.

<sup>12</sup> Annex C-4. PASH Energy requested confidential treatment for the referenced Annex.

<sup>13</sup> Annex E.



Electric power generation for sale in Puerto Rico through distributed generators interconnected to the PREPA power grid with an aggregate capacity of one megawatt (1 MW) or more, whether or not said distributed generators or the clients to whom the electric power is sold are participants of PREPA's Net Metering Program.

From the information provided by PASH Energy, the aggregated capacity of the systems it intends to install is less than the minimum aggregated capacity established in the definition of "Electric Service Company" of Regulation 8701. However, from the information contained in the Request, it is clear that PASH Energy intends to expand its aggregated capacity to include additional installations. Although at this moment PASH Energy is not required to be certified as an Electric Service Company since its aggregated capacity is less than the minimum established in Regulation 8701, the Energy Bureau will monitor PASH Energy's expansion and will complete the evaluation of its Request once its aggregated capacity reaches 1 MW. To that effect, PASH Energy should inform the Energy Bureau of any increments in its aggregated capacity.

Notwithstanding the above, after reviewing the documents submitted with the Request, the Energy Bureau **DETERMINES** that PASH Energy should provide the following information:

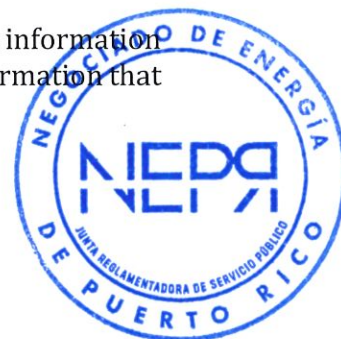
1. A copy of the legal agreement entered between PASH Energy and its Client for the provision of electric service; and
2. A projection of the expansion of installation efforts across other facilities of the Client that would result in an increment of PASH Energy's aggregated capacity.

The Energy Bureau **GRANTS** PASH Energy a term of thirty (30) 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.

#### IV. Request for Confidential Designation

As part of its Request, PASH Energy requested that certain documents and information be treated as confidential, under Section 6.15 of Act 57-2014. Specifically, PASH Energy requested these documents to be kept confidential (1) projection of the total demand of electric power service proposed to be satisfied in Puerto Rico, (2) information regarding charges and rated to be charged to customers, (3) installed systems, (4) projection of capital investments, (5) explanation memorandum regarding legal transactions, and (6) personal contact information and credentials of PASH Energy.

Act 57-2014 establishes that any person having the obligation to submit information to the Energy Bureau, can request privilege or confidential treatment to any information that

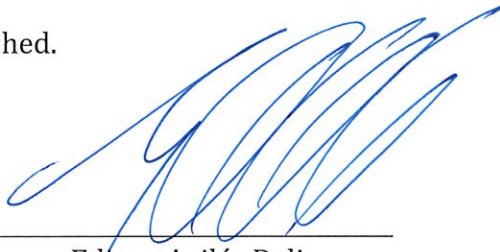




the party submitting understands deserves such protection.<sup>14</sup> Specifically, Act 57-2014 requires the Energy Bureau to confidentially treat the submitted information provided that “the Energy Bureau, after the appropriate evaluation, believes such information should be protected”.<sup>15</sup> In such case, the Energy Bureau “shall grant such protection in a manner that least affects the public interest, transparency, and the rights of the parties involved in the administrative procedure in which the allegedly confidential document is submitted.”<sup>16</sup>

Upon examining PASH Energy’s arguments, the Energy Bureau **GRANTS** confidential designation and treatment to the filed documents, under Article 6.15 of Act 57-2014.

Be it notified and published.



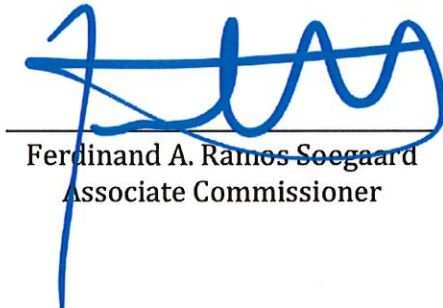
Edison Avilés Deliz  
Chairman



Ángel R. Rivera de la Cruz  
Associate Commissioner



Lillian Mateo Santos  
Associate Commissioner



Ferdinand A. Ramos Soegaard  
Associate Commissioner



Sylvia B. Ugarte Araujo  
Associate Commissioner

<sup>14</sup> Section 6.15 of Act 57-2014, as amended.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*



## CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on October 23, 2020. I also certify on October 23, 2020 a copy of the Resolution was notified by electronic mail sent to jeffrey@pashglobal.com and kofi@pashglobal.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 filling of this Resolution.

For the record, I sign this in San Juan, Puerto Rico, today, October 23, 2020.

  
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Wanda I. Cordero Morales  
Clerk

