

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

NEPR

Received:

Jan 15, 2021

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IN RE: REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY
INTEGRATED RESOURCE PLAN

CASE NO.: CEPR-AP-2018-0001

SUBJECT: Preliminary work for a new
combined cycle power plant at Palo Seco

**REPORT ON PRELIMINARY WORK FOR A NEW COMBINED
CYCLE POWER PLANT AT PALO SECO**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority through the undersigned legal representation and, in compliance with the *Final Resolution and Order on the Puerto Rico Electric Power Authority's Integrated Resource Plan* (the "IRP Order") entered on August 24, 2020, submits a report on preliminary work for a new combined cycle power plant goal. Attachment A.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 15th day of January 2021.

s/ Katuska Bolaños Lugo
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CERTIFICATE OF SERVICE

It is hereby certified that, on this same date I have filed the above motion using the Energy Bureau's Electronic Filing System, at the following address: <http://radicacion.energia.pr.gov> and that a courtesy copy of the filing was sent via e-mail to: sierra@arctas.com; tonytorres2366@gmail.com; cfl@mcvpr.com; gnr@mcvpr.com; info@liga.coop; amaneser2020@gmail.com; hriviera@oipc.pr.gov; jriviera@cnslpr.com; carlos.reyes@ecoelectrica.com; ccf@tcmrslaw.com; manuelgabrielfernandez@gmail.com; acarbo@edf.org; pedrosaade5@gmail.com; rmurthy@earthjustice.org; rstgo2@gmail.com; larroyo@earthjustice.org; jluebkmann@earthjustice.org; acasellas@amgprlaw.com; loliver@amgprlaw.com; epo@amgprlaw.com; robert.berezin@weil.com; marcia.goldstein@weil.com; jonathan.polkes@weil.com; gregory.silbert@weil.com; agraitfe@agraitlawpr.com; maortiz@lvprlaw.com; rnegron@dnlawpr.com; castrodiappalaw@gmail.com; voxpopulix@gmail.com; paul.demoudt@shell.com; javier.ruajovet@sunrun.com; escott@ferraiuoli.com; SProctor@huntonak.com; GiaCribbs@huntonak.com; mgrpcorp@gmail.com; aconer.pr@gmail.com; axel.colon@aes.com; rtorbert@rmi.org; apagan@mpmlawpr.com; sboxerman@sidley.com; bmundel@sidley.com.

In San Juan, Puerto Rico, this 15th day of January 2021.

s/ Katuska Bolaños Lugo
Katuska Bolaños Lugo

Attachment A



**Puerto Rico
Electric Power
Authority**

Puerto Rico Electric Power Authority (PREPA)

**New Combined Cycle Planning and Studies
Quarterly Progress Status Report
December 31, 2020**

Introduction, Project Details, and Outline

Introduction:

PREPA is working with the planning and studies for the construction of a new dual-fuel, combined cycle power plant in the San Juan area with a capacity between 300 and 400 MW. The Puerto Rico Energy Bureau’s Integrated Resources Plan Final Resolution and Order, approved on August 24, 2020, establishes a limit of \$5 million in expenses for preliminary analysis for siting, permitting, and feasibility of the new power plant.

On October 16, 2020, the Federal Emergency Management Agency (FEMA) obligated \$13,507,500 of mitigation funds under Section 404 for the planning, design, and studies for a new combined cycle power plant. This Phase I for preliminary engineering includes an initial obligation of \$5,130,000 and an increment of \$8,377,500. The project, including construction, shall not exceed \$572,377,050 and would be 100% federally funded.

Project Details:

Project Name	New Combined Cycle				
Project Sponsor	Fernando Padilla / Alfonso Baretty	Project Lead	Miguel Del Valle	Consultant	Sargent & Lundy
Scope Statement	Planning for a new combined cycle power plant in the north.				

Report Outline

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Executive Summary for 2020 Q4

Scope, Budget, and Schedule

Total Estimated Expenses

\$174,762

\$5,000,000

Budget Approved by PREB

\$13,507,500

FEMA 404 Funds – Engineering/Studies

\$572,377,050

FEMA 404 - Total Project Funds

Budget, Resources, and Schedule Highlights

- PREB’s IRP Final Resolution limits the expenses for the preliminary analysis for the CC project to \$5 million.
- FEMA’s Phase I obligated funds for \$13,507,500 with an initial obligation of \$5,130,000 and an increment of \$8,377,500.
- PREPA assigned Sargent & Lundy the analysis works for the project.

\$174,762

Expenses this Quarter

28

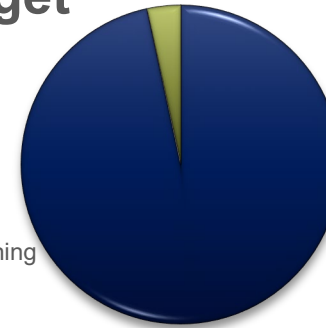
This Quarter Part- and Full-time Resources

Key Highlights

- FEMA obligated the funds for the engineering and studies on October 16, 2020 for the engineering and studies for the new combined cycle.
- PREPA shall complete the Phase I tasks in 361 days from the date of approval.
- During this quarter PREPA, FEMA, and COR3 had a kickoff meeting to initiate the approved works.
- PREPA and Sargent & Lundy are working in a technical analysis to determine the most feasible location for the combined cycle based on current and future system characteristics and infrastructure.
- A plan for thermal generation retirement, addition, and conversion is being developed that will establish a logical timeline to minimize the impact to the system.

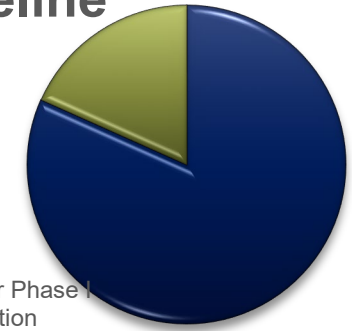
Project Status Summary

Budget



- Remaining Budget
- Total Expenses

Timeline



- Time for Phase I Completion
- Time Elapsed

Upcoming Milestones

Description	Target Period
PREPA to secure infrastructure strategy; present to stakeholders	2021 Q1
Develop a project schedule	2021 Q1
Develop a long-term gas agreement plan	2021 Q1

Completed or Ongoing Milestones

Description	Period
Approval of FEMA funds for engineering/studies	2020 Q4
Draft report for location of the new combined cycle	2020 Q4
Thermal Generation Retirement, Addition, and Conversion Plan Draft	2020 Q4

