

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

**IN RE: THE IMPLEMENTATION OF THE
PUERTO RICO ELECTRIC POWER
AUTHORITY INTEGRATED RESOURCE PLAN
AND MODIFIED ACTION PLAN**

CASE NO.: NEPR-MI-2020-0012

SUBJECT: Modifications to RFP required by the Financial Oversight & Management Board for Puerto Rico.

RESOLUTION AND ORDER

On January 26, 2021, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("January 26 Resolution") requiring the Puerto Rico Electric Power Authority ("PREPA") to, among other things, issue the Request for Proposal ("RFP") for Tranche 1, for 1,000 MW of solar PV (or energy-equivalent renewable resource) and 500 MW (2,000 MWh or equivalent) of battery energy storage, as soon as possible.¹ As per the January 26 Resolution, the RFP must contain the modifications that the Energy Bureau ordered as part of the Resolution and Order, notified on January 5, 2021, in the instant case. Furthermore, the Energy Bureau required PREPA to, once it issues the RFP for Tranche 1, publish a copy of the RFP in its website for public knowledge, including the Puerto Rico Map of Preferred Interconnecton Locations as illustrated in Figures 1, 2, 3, 4 and 5 in the Appendix A of the Renewable Energy Integration Study, Puerto Rico Electric Power Authority Report SL-016042, Final Rev. 0, of December 22, 2020.²

On January 29, 2021, PREPA filed a document titled *Motion Submitting Letter from the Financial Oversight and Management Board for Puerto Rico Regarding Procurement Plan and Renewables RFP Recommendations* ("Motion"). The Motion includes as Attachment 1 a copy of a letter signed by Jaime A. El Koury, General Counsel of the Financial Oversight & Management Board for Puerto Rico ("FOMB"), to Mr. Fernando Padilla of PREPA, dated January 27, 2021 ("Letter").³ In the Letter, the FOMB makes several recommendations to PREPA regarding modifications to the RFP.⁴

Upon review of the Motion, the Energy Bureau does not construe the recommendations included in the Letter as an impediment to comply with the January 26

¹ See *In re: THE IMPLEMENTATION OF THE PUERTO RICO ELECTRIC POWER AUTHORITY INTEGRATED RESOURCE PLAN AND MODIFIED ACTION PLAN*, Case No. NEPR-MI-2020-0012, Resolution and Order, January 26, 2021 ("January 26 Resolution").

² As expressed by the Energy Bureau, the publication of the RFP on PREPA's website shall not be construed as a modification of the process used by PREPA related to the issuance of the RFP and subsequent evaluation process.


³ Motion at ¶ 5.

⁴ See Letter.



Resolution and the RFP timeline, as established by the Energy Bureau. In fact, some of the recommendations are feasible due to modifications to the RFP previously ordered by the Energy Bureau. As many of the recommendations included in the Letter are easy to incorporate in the RFP and others can be implemented in parallel to the RFP process, adopting the mentioned recommendations should not delay the issuance of the RFP more than a few days.

As such, the Energy Bureau **REAFFIRMS** the January 26 Resolution. Furthermore, the Energy Bureau **ORDERS** PREPA to file with the Energy Bureau:

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1. A copy of the RFP package with the modifications requested by the FOMB, **on or before February 5, 2021**.⁵
 2. A list of the renewable energy projects PREPA will choose to acquire 150 MW from amongst the 16 proposed projects⁶ for which PREPA had requested and later withdrew petitions for the Energy Bureau's approval to execute the corresponding Power Purchase and Operation Agreements ("PPOAs"). Said list shall be submitted by PREPA **on or before February 9, 2021**. PREPA shall include in its filing a timeline for the filing of the draft PPOAs for the Energy Bureau's evaluation and approval;
 3. As part of the procurement process (*i.e.*, in parallel with the RFP's issuance and evaluation process), a detailed plan to address and solve any potential longer-term renewable energy penetration issues **on or before April 1, 2021**. The mentioned plan shall include a detailed description of the work required and a timeline, to timely achieve compliance with the Approved Integrated Resources Plan, the Modified Action Plan⁷ and the applicable Puerto Rico Renewable Portfolio Standards.⁸
 4. Draft copies of any communications, documents, and/or plans intended to comply with the recommendations included in the Letter prior to their filing with the FOMB.

The Energy Bureau **WARNS** PREPA that noncompliance with the Energy Bureau's orders or applicable legal requirements may carry the imposition on administrative fines of up to twenty thousand dollars (\$25,000.00) per day, per violation and/or other sanction that the Energy Bureau may deem appropriate.

⁵ Such copy should reflect the modifications in track changes.

⁶ See Case Numbers NEPR-AP-2020-003 to NEPR-AP-2020-0018.

⁷ See In re: The Review of the Puerto Rico Electric Power Authority Integrated Resource Plan, Case No. CEPR-AP-2018-0001, Final Resolution and Order, August 24, 2020.

⁸ See Act Article 2.3 of Act 82-2010, as amended.



Be it notified and published.



Edison Avilés Deliz
Chairman



Lillian Mateo Santos
Associate Commissioner



Ferdinand A. Ramos Soegaard
Associate Commissioner



Sylvia B. Ugarte Araujo
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on February 3, 2021. Associate Commissioner Ángel R. Rivera de la Cruz dissented without a written opinion. I also certify that on February 3, 2021 a copy of this Resolution was notified by electronic mail to the following: fabiola.rosa@prepa.com, marisol.pomales@prepa.com, vilmarie.fontanet@prepa.com, jorge.ruiz@prepa.com, mvazquez@diazvaz.law, kbolanos@diazvaz.law and jmarrero@diazvaz.law. I also certify that today, February 3, 2021, I have proceeded with the filing of the Resolution issued by the Puerto Rico Energy Bureau.

For the record, I sign this in San Juan, Puerto Rico, today February 3, 2021.



Sonia Seda Gaztambide
Clerk

