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April 21, 2021

Mr. Edison Avilés-Deliz Chairman Puerto Rico Energy Bureau World Plaza Building 268 Ave. Muñoz Rivera Nivel Plaza Suite 202 Hato Rey, PR 00918

RE: SESA's Comments on Implementation of PREPA's Procurement Plan NEPR-MI-2020-0012

Dear Mr. Avilés-Deliz:

The Puerto Rico Solar Energy Industries Association Corp., d/b/a/ Solar and Energy Storage Association of Puerto Rico (hereinafter, "SESA") is an association that represents Puerto Rico's solar and energy storage industries. It advocates for solar and storage technologies as a central solution to the energy needs of Puerto Rico and promotes public policy that benefits the growth of these industries. It brings awareness and understanding of these technologies to both government policymakers and the public and facilitates collectively beneficial collaboration and good business practices within the industry.

On August 24, 2020, the Energy Bureau of the Puerto Rico Public Service Regulatory Board (the "PREB" or the "Bureau") issued its Final Resolution and Order ("IRP Order") in case No. CEPR-2018-0001 regarding the Integrated Resource Plan ("IRP") of the Puerto Rico Electric Power Authority ("PREPA"). SESA was an intervenor and active participant in the IRP proceedings.

Among others, in the IRP Order the Bureau directed PREPA to submit a Draft Procurement Plant consistent with the terms of the IRP. In its Resolution and Order of December 8, 2020 issued in Case No. NEPR-2020-MI-0012, the Bureau approved certain core elements of the Draft Procurement Plan submitted by PREPA, modified other elements, and ordered PREPA to implement said plan as set forth in the appendices to the Resolution and Order. Relevant to this writing, the Bureau directed PREPA to expeditiously move forward with a tranche 1 procurement to meet the thresholds set out in the IRP Order.

The Bureau also determined that it would conduct ongoing oversight of the procurement required by the IRP Order. See Resolution and Order of December 8, 2020, Case No. NEPR-2020-MI-0012, page 5. The Bureau stated that "this Resolution and Order is targeted at ensuring that the procurement of the first tranche of renewable energy and storage is successful

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and meets the goals of the IRP." <u>Id</u>. The Bureau instructed PREPA to "consider the Procurement Plan to be a living document subject to continued revision and application of lessons learned from each tranche of procurement and [from] other proceedings." To this end, the Bureau required PREPA to file an updated Procurement Plan reflecting the specific plans for the second tranche on or before May 1, 2021, and to incorporate into that document lessons learned from the first tranche, any requirements that originate from the Optimization Proceeding in the IRP Order, and any other requirements that originate from other resolutions and orders issued by the Bureau. <u>Id</u>.

On February 22, 2021, PREPA filed a motion in this proceeding informing the Bureau that it had published the first tranche of the request for proposals contemplated in its Procurement Plan. Very succinctly, the first tranche looks to secure 1,000 MW of renewable energy resources and 500 MW of energy storage, including at a minimum 150MW of aggregated distributed storage ("Virtual Power Plants"). Therefore, the first procurement tranche would involve between 25% to nearly 30% of the total renewable capacity required by the IRP Order by year 2025.

Conclusion

Recognizing that the degree of success or failure of the RFP process currently underway will have a major impact on the roll out of the balance of the Procurement Plan, and in anticipation of the update to be filed by PREPA on May 1, SESA respectfully requests the Bureau to order PREPA to supply a status update on the RFP, including any missed deadlines on the part of PREPA, plans for extension of the bid date, and any other matters relevant to PREB's oversight.

If the Bureau finds that PREPA has missed deadlines that have impacted the timeline of the entire RFP process, making it difficult, impractical or impossible or impractical for otherwise qualified bidders to have a sufficient amount of time to prepare bid packages, then we ask that the Bureau order PREPA to issue a change in the bid due date beyond the originally scheduled date of May 3rd 2021. Additionally, if the Bureau finds PREPA has in fact missed substantial deadlines, we request that the Bureau establish a system of consistent public monitoring of the RFP process, and ordering any corrective actions deemed appropriate by the Bureau, in order to avoid such potential confusion, uncertainty and delays in the future.

Cordially,

Wilson

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