

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: Request for Consideration of
Content and Schedule Changes.

RESOLUTION AND ORDER

On May 19, 2021, the Solar and Energy Association of Puerto Rico (“SESA”) filed a document (“Request”) with the Energy Bureau of the Puerto Rico Public Service Regulatory Board (“Energy Bureau”). In the Request, SESA states that, regarding the current renewable energy procurement process undertaken by the Puerto Rico Electric Power Authority (“PREPA”), there are several critical issues unresolved, unclear and/or reflect large deviations from market norms that could result in low participation by bidders, needlessly high prices, or both.¹ As specific examples of the foregoing, SESA stated the following:

For example:

1. Minimum Technical Requirements (MTRs) for Virtual Power Plants (VPPs) have not yet been made available.
2. There is an apparently erroneous number for a Performance Security requirement of \$575/kW. This could be as high as 20 or 30 times higher than market norms for Performance Security requirements.
3. Performance Bond requirements for battery systems of \$120 per kWh could be 20x higher than market norms as well. The ESSA portion appears to have a Performance Security of \$120 per kWh which would be \$21 million for a 50 MW/4-hour BESS system. Market norms could be closer to \$1 million.²

Finally, SESA expresses that “even with a quick turnaround in correcting these issues, it could be worth considering postponement of the current bid deadline beyond May 28th, perhaps by a month, to allow adequate time for potential bidders

¹ See Request, p. 2.

² *Id.*

to integrate changes into their bids and have adequate time for formal Questions & Answers on them.”

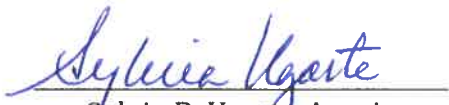
Although the Request does not provide enough information to the Energy Bureau in order to make a determination on whether the remedy requests is warranted, given the importance of the adequate completion of the procurement process, the Energy Bureau **ORDERS** the PREPA to, **on or before May 24, 2021 at 5:00 pm**, provide a response to the Request, including but not limited to the three examples provided by SESA and provide sample calculations for Performance Security and Performace Bond requirements for a typical project size.

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.

Be it notified and published.



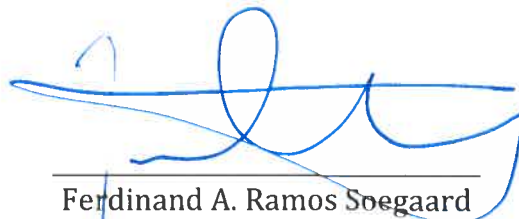
Edison Avilés Deliz
Presidente



Sylvia B. Ugarte Araujo
Comisionada Asociada



Lillian Mateo Santos
Comisionada Asociada



Ferdinand A. Ramos Soegaard
Comisionado Asociado




CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on May 21, 2021. Associate Commissioner Ángel R. Rivera de la Cruz did not intervene. I also certify that on May 21, 2021 a copy of this Resolution and Order was notified by electronic mail to the following: astrid.rodriguez@prepa.com, 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, May 21, 2021, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau.

For the record, I sign this in San Juan, Puerto Rico, today May 21, 2021.




Wanda I. Cordero Morales
Interim Clerk