

**GOBIERNO DE PUERTO RICO
JUNTA REGLAMENTADORA DE SERVICIO PÚBLICO
NEGOCIADO DE ENERGÍA DE PUERTO RICO**

NEPR

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IN RE: ENMIENDAS A CONTRATO DE
COMPRAVENTA DE ENERGÍA:
PROYECTO NO-OPERACIONAL (CIRO
ONE SALINAS, LLC)

CASO NÚM.: NEPR-AP-2021-0001

ASUNTO: Moción para Presentar Informe
Mensual de Progreso Mensual
Correspondiente a Abril 2022 y Solicitud Para
Acumulación de Parte

**MOCIÓN PARA PRESENTAR INFORME DE PROGRESO
MENSUAL CORRESPONDIENTE A ABRIL 2022 Y
SOLICITUD PARA ACUMULACIÓN DE PARTE**

AL HONORABLE NEGOCIADO DE ENERGÍA:

COMPARECE la Autoridad de Energía Eléctrica de Puerto Rico (la “Autoridad”) a través de la representación legal que suscribe y muy respetuosamente expone y solicita:

1. El 10 de junio de 2021, el Negociado de Energía de la Junta Reglamentadora de Servicio Público (el “Negociado” o “Negociado de Energía”) notificó *Resolución Final y Orden* (la “Resolución Final”) mediante la cual aprobó, sujeto a algunas condiciones, la *Petición de Aprobación de Enmienda a Contrato de Compraventa de Energía Renovable con CIRO One Salinas, LLC* (la “Petición”) radicada por la Autoridad el 17 de marzo de 2021.

2. La Resolución Final ordena a que, entre otras cosas, la Autoridad y CIRO One Salinas LLC (“CIRO”) presenten ante el Negociado de Energía informes mensuales de progreso sobre el estatus del Proyecto (el “Informe de Progreso Mensual”). Además, el 9 de febrero de 2022, el Negociado emitió una *Resolución y Orden* (“Orden del 9 de febrero”) mediante la cual, entre

otras cosas, ordenó que la Autoridad y CIRO debían presentar los Informe de Progreso Mensual firmados por oficiales de cada entidad e informar la fecha de su preparación.¹

3. En cumplimiento con la Resolución Final y la Orden de 9 de febrero, la Autoridad presenta el *Project Monthly Status Report* correspondiente a Abril 2022, con fecha del 4 de mayo de 2022. Exhibit A.

4. El 14 de febrero de 2022, en respuesta a la Orden del 9 de febrero, la Autoridad presentó ante este Negociado una *Respuesta a Orden para Mostrar Causa y Para Presentar Informes Mensuales de Progreso Correspondientes a Octubre 2021 y Enero 2022* (la “Respuesta”). En la Respuesta, la Autoridad solicitó al Honorable Negociado que ordenara la acumulación de LUMA Energy, LLC (“LUMA”) en el proceso de epígrafe y, además, le ordenara a LUMA que participe del proceso de reportar al Negociado el progreso del proyecto e implementación del Acuerdo Enmendado (la “Solicitud de Acumulación”).

5. La Solicitud de Acumulación se realiza basada en las disposiciones del *Acuerdo de Operación y Mantenimiento del Sistema de Transmisión y Distribución de Puerto Rico* (OMA, por sus siglas en inglés) que suscribiera la Autoridad con LUMA el 22 de junio de 2020, el cual provee que es LUMA el encargado de los procesos de interconexión de proyectos de energía renovable y administra los PPOAs.² Al día de hoy, el Negociado no se ha expresado sobre la Solicitud de Acumulación.

6. La Autoridad respetuosamente reitera la Solicitud de Acumulación y pide a este Honorable Negociado que ordene a LUMA a nombrar un representante que valide la información vertida por

¹ El Informe de Progreso Mensual se presenta según CIRO lo prepara y remite a la Autoridad.

² OMA en Anejo I, Sec. I (A) (“Operator shall be responsible for all electric transmission, distribution, load serving and related activities for the safe and reliable operation and maintenance of the T&D System, subject to the terms and conditions of the main body of the Agreement, including” ... “compliance with interconnection of renewables in accordance with Applicable Law.”).

CIRO en los informes de progreso con relación a reuniones, o comentarios realizados por LUMA, de lo cual la Autoridad no tiene injerencia, control, ni visibilidad y, además, que LUMA reporte sobre sus gestiones relacionadas las responsabilidades que le competen en relación con el Acuerdo Emendado. Conceder la Solicitud de Acumulación dará a este Honorable Negociado el beneficio de tener información adicional en el récord del caso para así poder monitorear de manera más precisa el progreso para la implementación del Acuerdo Emendado.

POR TODO LO CUAL, la Autoridad solicita respetuosamente al Negociado de Energía que tome conocimiento de lo aquí informado, acepte el Informe de Abril 2022 y ordene a LUMA a nombrar un representante que comparezca en el caso de epígrafe que participe de la revisión de los informes de progreso.

RESPETUOSAMENTE SOMETIDO.

En San Juan, Puerto Rico, este 12 de mayo de 2022.

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Exhibit A

Project Monthly Status Report

Project: CIRO One Salinas, LLC.
Date: April 2022
Recipients: Puerto Rico Electric Power Authority (PREPA)
Puerto Rico Energy Bureau (PREB)

Brief: Project Team Monthly Status Report - As required on Section (d) of Article 4.1 of the Power Purchase and Operating Agreement (PPOA) between Puerto Rico Electric Power Authority and Ciro One Salinas, LLC. dated as of July 14, 2021.

Reference: Report Content Overview

1. Material Updates and Critical Issues – Summary of material updates and critical issues that could impact the project development and/or construction.

2. Review the status of each significant element of the Project Schedule

- I. Permitting
- II. Engineering
- III. Procurement
- IV. Construction
- V. Project Milestones & Notice Requirements

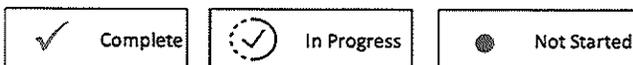
3. Corporate Responsibility / Community Involvement

- I. Local Vendors / Services
- II. Domestic Content (Corporate Wide)

4. Next Steps: Action Items

Status Report:

Tasks and Milestones Table Legend



1. Material Updates and Critical Issues: Summary of material updates and critical issues that could impact the project development and/or construction.

I. Material Updates: Since the last monthly status report.

- **General:**
 - Ciro One Salinas (COS) Project Team has continued to work with LUMA, PREPA, engineers, suppliers and Contractors (General and Local) to complete engineering of the facility, and place purchase orders for pending components (see material updates below).
 - Two interconnection studies meetings have been held.
 - Development initiatives have continued as reported (see below)
- **Section II: Engineering** (Refer to SECTION II for details)
 - The following initiatives are ongoing, and have minor delays in testing phase (wind tunnel and other third-party validations):
 - Structural Design (PV Plant – Racking)
 - All other engineering initiatives have been completed, except for:
 - Finalizing overhead transmission line design.
 - Interconnection facilities (inside PREPA Facilities).
- **Section III: Procurement** (Refer to SECTION III for details)
 - In addition to previously placed purchase orders, the following were issued:
 - MVAC Cable – from 95% completion to 100%
 - Combiner Boxes – from 95% completion to 100%
 - DC Cable - from 95% completion to 100%
- **Section IV: Construction:** (Refer to SECTION IV for details)
 - Additional resources were added to the Project Execution Team members.
- **Section V: Project Milestones & Notices Requirements** (Refer to SECTION V)
 - Recurrent Interconnection Studies Meetings are being held.
 - There are projected delays on the FNTP, COD, Substantial Completion and Final Completion milestones, based on the delays caused by the Critical Issues (5 months). The PPOA target dates are still possible. The reported critical Issue, Interconnection Studies Payment, was approved and done.
 - Project initial Mobilization update
- **Item #4. Next Steps: Action Items:** Section was updated based on pending initiatives and next steps.

II. Critical Issues: Outstanding issues that could potentially cause delays in the project timeline.

- The **INTERCONNECTION STUDIES** payment **critical issue** reported on previous Monthly Status Reports has been resolved. After the reported **5-month delay**, the payment was approved by PREPA and made by the COS Team. The summary of the issue presented on previous Monthly Status Reports has been removed from this section.
- The next critical path is the completion of the Interconnection Studies. The COS, LUMA and PREPA teams are collaborating to get this process completed on a timely manner.

2. Review the status of each significant element of the Project Schedule:

I. Permitting:

- Overview:

The CIRO One Salinas, LLC. project was fully permitted and considered shovel ready. All permits, studies and endorsements are being evaluated to ensure compliance with all new laws, applicable code changes, and regulations. The process is guided by the engineering review being performed by the Project Team (see section II. Engineering).

- Table: Tasks and Milestones include (but are not limited to):

Permit/Approval	Permit Authority	Status	Comments
Location Approval	Planning Board	✓	
Environmental Approval	ARPE, OGPE, DNER	✓	
Nationwide Permit (NWP) 14	USACOE	✓	
Endorsements	<ul style="list-style-type: none"> • Municipality of Salinas, • Hwy and Transportation Authority, • OGPE, • ICP, • PREPA, • Puerto Rico Telecommunications Regulatory Board, • PRASA, • Dept of Agriculture 	✓	Endorsements will be revised after engineering review has been completed.
NPDES General Permit	US EPA	✓	
Construction Related Permits	OGPE	✓	<ul style="list-style-type: none"> • Includes General Consolidated Permits, • Incidental Soil Movement Permits, and • Construction Permits

II. Engineering:

- Overview:

The engineering that was previously completed and approved by PREPA is being revised. The engineering package is being modified to ensure compliance with (among other):

- Changes in any laws and regulations.
- New local code guidelines.
- Updates in technology selection.

- New Minimum Technical Requirements (MTRs).

The Primary Contractor, DEPCOM Power, is working with the Project Team to define and approve new equipment requirements and bill of materials to advance procurement tasks (*see section III. Procurement*)

The table below provides information on all engineering areas previously completed that are under review/validation only.

- Tasks and Milestones include (but are not limited to):

Design / Study	Engineer of Record	Status	Comment
Floodplain Map/Review	CSA Architects & Engineers, LLP	✓	
Hydrology and Drainage Study	GLM Engineering-COOP Timmons Group	✓	
ALTA Survey	JAMS Land Surveying Services	✓	
Civil Design (PV Plant)	Timmons	✓	
Topo / LiDAR	Timmons Group	✓	
Geotech / Pile Testing (PV Plant)	Suelos, Inc GMTS, PSC	✓	
Corrosion Study	[EOR]	✓	
Cultural Study	AM Group	✓	
Environmental Site Assessment	NAYE Group/Kyros LLC	✓	
Structural Design (PV Plant – Racking)	Gamechange	⊙	Target 04/22/2022
Structural Design (PV Plant – Miscellaneous Foundations)	Buehler and Buehler Engineering	✓	
Electrical Design (PV Plant)	Hugo R. Durand Schettini, PE	✓	

III. Procurement:

- Overview:

The CIRO One Salinas Team decommissioned all equipment previously procured for the project to ensure compliance with new PREPA requirements for interconnection and adapt to new available technology. Project team will be placing purchase orders after the engineering review has been completed (please refer to table below for timelines).

- Tasks and Milestones include (but are not limited to):

Description	Vendor	Order Status	Delivery Status	Notes
Posts	GameChange	100%	0%	GameChange E/W Fixed Tilt System
Racking	GameChange	100%	0%	GameChange E/W Fixed Tilt System
MVAC Cable	WESCO	100%	0%	
Combiner Boxes	Olson	100%	0%	
DC Cable	WESCO	100%	0%	
Modules	HT-SAAE	100%	0%	HT-SAAE 450W Bifacial Module
BESS Equipment	VLI/Dynapower	100%	0%	
Power Conversion Stations	Ingeteam	100%	0%	Ingeteam Power Conversion Stations
GSU	WEG	100%	0%	

IV. Construction:

-Overview:

Agreements related to general contractors, subcontractors, engineering, and consultants with various entities are in process.

Minimal site work is in process. No major construction activities have yet begun on the site. Once they do, key metrics on activities within civil/site preparation, mechanical installations and electrical installations will be reported on a monthly basis (as required).

- Key companies / Personnel include (but are not limited to):

Contractor	H/Q Location	Scope	Current Headcount	Peak Headcount	Local Hire Target	Veteran / Minority Target
DEPCOM	Arizona*	Site Oversight and Management	28	TBD	50%	30%
Lord Construction Puerto Rico	Puerto Rico	All Major Site Construction	35	TBD	100%	30%
Other - Various	Puerto Rico	Development, Finance, Engineering, Logistics, Adm., Owners Engineer and Reps, Legal,	29	TBD	75%	30%

*Supervision is from Arizona; all labor is hired locally.

V. Project Milestones & Notice Requirements:

Below find critical milestone dates and related Notice requirements:

Milestone	PPOA Required Date	COS Target Date	Progress	Comments
Kick off meeting between PREPA, LUMA and COS Project Team.	N/A	09/27/21	✓	Recurring Meetings are Being Held Between the Parties (see note below).
Interconnection Studies Meeting	After Interconnection Studies Payment	03/24/2022	✓	Recurring Meetings are Being Held Between the Parties (see note below).
Mobilization	N/A	Q2 2022	✓	Project Timeline is Being Revised to Set Mobilization Date (Status: on-target).
FNTP	8 months after Assumption Order*	07/01/22	●	Estimated to be 30 days after mobilization date (subject to PREPA/LUMA deliverables)
Mechanical Completion		04/14/23**	●	Projected timelines consider completion dates earlier than PPOA requirements.
Commercial Operation Date	24 months after FNTP	05/05/23**	●	
Substantial Completion		06/02/23**	●	
Final Completion		12/01/23**	●	

*Based on Assumption Order Date of 12/08/21.

**Target date based on DEPCOM construction schedule.

Note: COS Project Team is having weekly meetings with PREPA and LUMA personnel to advance the engineering, interconnection scope and other project related initiatives.

Note#2: All Timelines are currently under review.

3. Corporate Responsibility / Community Involvement

Once the project has begun, DEPCOM's Director of Philanthropy will travel to the region and engage with local organizations and entities in an effort to provide some level of community support.

As of yet, no organizations have been engaged with – but DEPCOM is willing to take recommendations from PREPA or Ciro.

I. Local Vendors / Services:

Although no local vendors have been engaged to date, once the project has begun there will be a number of local vendors that DEPCOM will engage with for various support roles. The names of these businesses will be reported on a monthly basis.

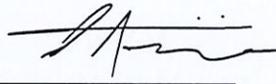
II. Domestic Content (Corporate Wide)

Component	% US	% ROW
Cable	100	0
Posts	65	35
Combiner Boxes	89	11
Racking	59	41
PCS	20	80
Modules	7	93
Balance of System	100	0
Labor / Management	100	0
Total	76	24

4. Next Steps: Action Items

- Continue the INTERCONNECTION STUDIES.
- PREPA/LUMA to continue the evaluation of the engineering submissions to provide feedback.
- PREPA/LUMA to provide responses to RFI's submitted by COS Project Team.
- PREPA/LUMA to provide response to PPOA preliminary deliverables.
- Project Team to update the PSSE Model based on new engineering changes.
- Continue the weekly follow-up meeting with LUMA personnel (Technical).
- Continue the project reengineering.
- Finalize BESS PO Process.
- Begin civil construction.

CIRO One Salinas Project Team thanks you for your time and attention to the project initiatives. Please let us know if there is anything we can do to improve!

Submitted by: 
Mario J. Tomasini
Authorized Representative
CIRO One Salinas
May 4, 2022

Revised by PREPA Representative: 
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Position: Manager Business
Strategy and
Operations
Date: May 9 2022