

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

NEPR

Received:

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IN RE: REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY'S 10-
YEAR INFRASTRUCTURE PLAN –
DECEMBER 2020

CASE NO.: NEPR-MI-2021-0002

SUBJECT: Motion to Inform Approval of
Mayagüez Hydro-Gas Power Plant Permanent
Repairs

MOTION TO INFORM APPROVAL OF MAYAGÜEZ PROJECT

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority (“PREPA”), through its counsel of record, and respectfully submits and prays as follows:

I. APPROVAL OF MAYAGÜEZ HYDRO-GAS POWER PLANT PERMANENT REPAIRS

1. On December 1, 2021, PREPA submitted a document titled *Motion to Submit Fifth Group of Generation Projects Scope of Work* (“December 1 Motion”). With the December 1 Motion, PREPA submitted four (4) statement of works (SOW) to be presented for the approval of the Federal Emergency Management Administration (FEMA). Among these SOW was the Mayagüez Hydro-Gas Power Plant Permanent Repairs (“Mayagüez Power Plant Repairs”). On December 20, 2021, the Energy Bureau entered a *Resolution and Order* (“December 20 Order”) approving the Mayagüez Power Plant Repairs.

2. On January 13, 2022, PREPA filed before the Energy Bureau a document titled *Partial Compliance with the January 4 Order and Request for Extension of Time* (“January 13 Motion”). With the January 13 Motion PREPA submitted several SOW, including the Unit 1A, 1B and 4B Rehabilitation projects for the Mayagüez Power Plant (“Mayagüez Rehabilitation Projects”, together with the Mayagüez Power Plant Repairs, the “Mayagüez Hydro-Gas Power Plant Permanent Repairs”). On February 10, 2022, the Energy Bureau entered a *Resolution and Order*

(“February 10 Order”) approving the latter.

3. Both the December 20 Order and the February 10 Order provide that PREPA must submit to the Energy Bureau copy of the approval by the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency and/or FEMA of the Mayagüez Project which shall contain the costs obligated, within ten (10) days of receipt of such approval; provide the Energy Bureau the actual contracted costs to construct the Mayagüez Project, within ten (10) days from the execution of such contract and inform the Energy Bureau once the Mayagüez Project is completed. *See* December 20 Order at p. 3, Sec. IV and February 10 Order at p. 3, Sec. III.

4. In compliance with the December 20 and the February 10 orders, PREPA herein informs that FEMA approved the Mayagüez Hydro-Gas Power Plant Permanent Repairs, and it has been assigned PW 10455 for federal financing and reimbursement. *See* Attachment A (“PW 10455 Project Report”). The PW 10455 provides for the financing of both the Mayagüez Rehabilitation Projects and the Mayagüez Power Plant Repairs. It is further informed that PREPA has entered into five (5) agreements for works related to the Mayagüez Hydro-Gas Power Plant Permanent Repairs, which are herein presented to the Energy Bureau. *See* Attachment B.

II. REQUEST FOR CONFIDENTIAL DESIGNATION AND TREATMENT

5. The PW 10455 Project Report presented herein contains global positioning system (“GPS”) coordinates of PREPA’s power plants, which is critical energy infrastructure information (“CEII”) that cannot be disclosed to the public. To protect such confidentiality, PREPA has redacted the GPS information from the PW 10455 Project Report herein submitted (Attach. A) and requests the Energy Bureau to determine that the GPS information is CEII and thus, confidential, and to maintain the public files with the redaction already provided and the unredacted version under seal.

6. The following is a detailed list of the information that PREPA asserts is confidential and must be kept under seal:

CONFIDENTIAL INFORMATION	LEGAL BASIS
GPS Location Page 1	CEII
GPS Location Page 3	CEII
GPS Location Page 10	CEII

7. Article 6.15 of the *Puerto Rico Energy Transformation and RELIEF Act*, Act no. 57 of 2014, as amended (“Act 57”)¹, provides that “any person who is required to submit information to the Energy [Bureau] believes that the information to be submitted has any confidentiality privilege, such person may request the [Bureau] to treat such information as such[.]” *Id.* at Sec. 6.15. “If the Energy [Bureau], after the appropriate evaluation, believes such information should be protected, it shall grant such protection in a manner that least affects the public interest, transparency, and the rights of the parties involved in the administrative procedure in which the allegedly confidential document is submitted.” *Id.* at Sec. 6.15(a). If the Energy Bureau determines that the information is confidential, “the information shall be duly safeguarded and delivered exclusively to the personnel of the Energy [Bureau] who needs to know such information under nondisclosure agreements.” *Id.* at Sec. 6.15(b). “The Energy [Bureau] shall swiftly act on any privilege and confidentiality claim made by a person subject to its jurisdiction by means of a resolution to such purposes before any allegedly confidential information is disclosed.” *Id.* at Sec. 6.15(c).

8. Pursuant to its vested powers, the Energy Bureau approved the *Regulation on Adjudicative*,

¹ *Puerto Rico Energy Transformation and RELIEF Act*, Act no. 57 of May 27, 2014, 22 L.P.R.A. §§ 1051-1056.

Notices of Compliance, Rate Review, and Investigations Proceedings (“Regulation 8543”).²

Regarding the safeguards that the Energy Bureau gives to confidential information, Regulation 8543 provides that:

[i]f in compliance with the provisions of [Regulation 8543] or any of the Energy Bureau’s orders, a person has the duty to disclose to the Energy Bureau information considered to be privileged pursuant to the Rules of Evidence, said person shall identify the allegedly privileged information, request the Energy Bureau the protection of said information, and provide supportive arguments, in writing, for a claim of information of privileged nature. The Energy Bureau shall evaluate the petition and, if it understands the material merits protection, proceed according to what is set forth in Article 6.15 of Act No. 57-2014, as amended.

Regulation 8543 at Sec. 1.15.

9. Federal and Puerto Rico law protect the confidentiality of CEII, the public disclosure of which may pose a security threat in that the information could be useful to a person or group in planning an attack on critical infrastructure. *See, e.g.*, 18 C.F.R. § 388.113, as amended by Federal Energy Regulatory Commission (“FERC”) Order No. 683, *Critical Energy Infrastructure Information* (issued September 21, 2006); *USA Patriot Act of 2001*, § 1016, creating the *Critical Infrastructures Protection Act of 2001*, including 42 U.S.C. § 5195c(e) (defining Critical Infrastructure). FERC regulations subject such information to limitations on use and disclosure to “ensure that information deemed CEII stays out of the possession of terrorists.” 18 C.F.R. § 388.113(d)(4). *Off. of People's Counsel v. Pub. Serv. Comm’n.*, 21 A.3d 985, 991, Util. L. Rep. P 27157, 2011 WL 2473405 (D.C. App. 2011).

10. Under the Critical Infrastructures Protection Act of 2001, the term “critical infrastructure” means “systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on security,

² Energy Bureau, *Regulation on Adjudicative, Notices of Compliance, Rate Review and Investigations Proceedings*, No. 8543 (December 16, 2015).

national economic security, national public health or safety, or any combination of those matters.” 42 U.S.C. § 5195c(e). In 2006, FERC Order no. 683 amended the regulations for gaining access to CEII and simplified procedures for obtaining access to CEII without increasing vulnerability of the energy infrastructure and ensuring that access to CEII does not facilitate acts of terrorism.

11. A utility is not required to obtain FERC or other federal government approval to designate information as CEII. For example, information required by FERC’s Annual Transmission Planning and Evaluation Report, Form No. 715 (“FERC No. 715”), is *de facto* considered CEII and is automatically afforded the heightened protections. FERC No. 715 requires that any transmitting utility that operates integrated (non-radial) transmission facilities at or above 100 kV must annually submit information including but not limited to: Power Flow Base Cases, Transmitting Utility Maps and Diagrams, Transmission Planning Reliability Criteria, Transmission Planning Assessment Practices, and Evaluation of Transmission System Performance. Any utility that submits the required transmission information pursuant to FERC No. 715 does so with the knowledge that, as stated in the Form’s Instructions, FERC “considers the information collected by this report to be CEII and will treat it as such.” *See also* 18 C.F.R. § 141.300(d) relating to the Form and CEII.

12. Mainland regulators typically do not require a utility that designates material as CEII to follow any process before the federal government to make or support such a designation, and, further, that the regulator, in its informed discretion, can establish limits on how information that it considers CEII can be accessed.

13. Furthermore, and regarding the foregoing argument, FERC has ruled on several occasions that GPS coordinates of any project features “qualify as CEII because it provides more than just location.” *See e.g.*, Final Rule, Docket Nos. RM02-4-000, PL02-1-000; Order No. 630, Note 31,

entered on February 21, 2003 (ruling that FERC considered the global positioning system coordinates of any project features (precise surveyed or GPS coordinates at or above two decimal points of accuracy of equipment and structures) gas information to qualify as CEII because it provides more than just location).³

14. The aforementioned request for relief has been granted in other matters and dockets, and for requests made under the captioned case, in which PREPA has had to produce information that included CEII, more specifically GPS. For example, PREPA submitted January 13 Motion, which included several SOWs which, in turn, included GPS information that PREPA redacted from the public filing and asserted that should remain under seal and declared confidential because, pursuant to federal and local law, it qualified as CEII. After evaluating PREPA's arguments, on January 21, 2022, the Energy Bureau granted confidential designation and treatment to the GPS information that had been redacted from the public versions of the filing. January 21 Order at pp. 3-5, Sec. III.

15. Is its respectfully submitted that the redacted GPS information qualifies as CEII and thus, should remain redacted. Furthermore, it is asserted that the redactions made are the manner that least affect the public interest, transparency, and the rights of the parties involved in this administrative procedure. *See*, Act 57-2014 at Sec. 6.15(a). Accordingly, and pursuant to the above, it is respectfully requested that the Honorable Energy Bureau find that the information identified by PREPA as CEII is confidential and that the Secretary of the Energy Bureau be directed to keep the confidential CEII under seal.

³ Federal Register: March 3, 2003 (Volume 68, Number 41); Rules and Regulations, pp. 9857-9873.

III. CONCLUSION

WHEREFORE, PREPA respectfully requests the Honorable Energy Bureau to note the approval of the Mayagüez Hydro-Gas Power Plant Permanent Repairs and PW 10455; to determine that the GPS information redacted from PW 10455 Project Report (Attach. A) is CEII and thus, confidential information; and to enter an order directing the Secretary of the Energy Bureau to maintain the unredacted version of Attachment A under seal.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 19th day of May 2022.

/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 with the Office of the Clerk of the Energy Bureau using its Electronic Filing System at <https://radicacion.energia.pr.gov/login>, and a courtesy copy of the filing was sent to LUMA through its legal representatives at margarita.mercado@us.dlapiper.com and laura.rozas@us.dlapiper.com.

In San Juan, Puerto Rico, this 19th day of May 2022.

Attachment A

(Unredacted version submitted under seal)

Department of Homeland Security Federal Emergency Management Agency

General Info

Project #	663385	PW #	10455	Project Type	Specia ized
Project Category	F - Uti ities	Applicant	PR E ectric Power Authority (000-UA2QU-00)		
Project Title	FAASt [Mayaguez Hydro-Gas Power P ant Permanent Repairs] (Generation)			Event	4339DR-PR (4339DR)
Project Size	Large	Declaration Date	9/21/2017		
Activity Completion Date	9/20/2022	Incident Start Date	9/17/2017		
Process Step	Ob igated	Incident End Date	11/15/2017		

Damage Description and Dimensions

The Disaster # 4339DR, which occurred between **09/17/2017** and **11/15/2017**, caused:

Damage #661257; FAASt [Mayaguez Hydro-Gas Power Plant]

DDD for this faci ity codified in the 136271 - MEPA078 Puerto Rico E ectrica Power Authority Is and Wide FAASt Project.

General Facility Information:

- **Facility Type:** Power generation, transmission, and distribution faci ities
- **Facility:** Mayaguez Hydro-Gas Power P ant
- **Facility Description:** The Mayaguez Power Station comprises four, 55MW each, twin-engine aeroderivative gas turbines, mode FT8 and manufactured by PW Power Systems LLC (PWPS), now known as Mitsubishi Power Aero LLC (MPA), for tota capacity of 220MW. Said gas turbines current y uti ize #2 disti ate fue oi as their primary fue . Gas turbines units 1A and 1B are out of service since September 18, 2020, due to fai ures in their gas generators. Gas turbines 1A and 1B gas generator components, seria numbers 743060 and 743057 respective y, showed oss of materia and therma barrier coating on combustors, b ades and vanes in the high and ow pressure sections, crack fai ures in transition ducts, and sea fai ures in both high and ow pressure sections of the compressor. PWPS notified and recommended PREPA, in document PWPS Customer Service Engineering Boroscope Review Comments and Recommendations, dated May 25 and 26, 2020, to remove from service those units in order to prevent a catastrophic fai ure. Repairs to both units are a so required to be performed at PWPS shop in Connecticut. The Mayaguez Hydro-Gas Power P ant sustained damages in the fo owing areas, that were in need of immediate repair to bring the units back on-line as quick y as possib e. A work has been comp eted and was inc uded within the Fixed Cost Estimate (FCE) under the Generation inventory. Gas Generator (Damage 2): Materia purchase for Mayaguez Warehouse. Brush Generator Unit 1 (Damage 4): Parts purchase for Unit 1. Fue Tank 1 (Damage 11): Labor and materia s for the remova , adequate disposition, and rep acement of the fue tank 1 cyc one fence that was damaged because of the trees that fe on it. Mayaguez P ant Operations (Damage 12): Purchase of membranes and its related parts for the P ant operation.
- **Approx. Year Built:** 1950
- **GPS Latitude/Longitude:** [REDACTED]

General Damage Information:

- **Date Damaged:** 9/20/2017
- **Cause of Damage:** High winds & wind driven rain, caused by Cat 4 Hurricane Maria

Final Scope

661257 FAASt [Mayaguez Hydro-Gas Power Plant]

Work Completed

The applicant utilized contracts for repairs to the Mayaguez Hydro-Gas Power Plant to restore facilities back to pre-disaster design, capacity, and function within the existing footprint.

(Mayaguez Hydro-Gas Power Plant)

- A. Removed and replaced 1 EA variable frequency control water pump.
- B. Removed and replaced 1 EA parts for Unit 1 Brush Generator.
- C. Removed and replaced 1 EA of Cycloidal Drive.
- D. Removed and replaced 1 EA Power Plant Membranes System.

Work Completed Totals:

- 1. Contracts: \$197,562.58
 - a. Variable Frequency Control Water Pump: \$12,079.00
 - b. Parts for Unit 1 Brush Generator: \$70,808.58
 - c. Cycloidal Drive Replacement: \$34,500.00
 - d. Membrane System: \$80,175.00

Work Completed totals: \$197,562.58

Work to be Completed

The applicant will execute contracts for repairs to the Mayaguez Units 1A and 1B Power Plant, to restore facilities back to pre-disaster design, capacity and function within the existing footprint with in-kind materials.

Introduction

The purpose of this document is to present and update a Project Scope of Work (SOW) with Cost Estimates to be submitted to COR3 and FEMA for projects under DR-4339-PR Public Assistance. The completed document will be reviewed by COR3 and FEMA to create and version a specific project worksheet and post-fixed-cost estimates to repair, restore, or replace eligible facilities including Section 406 hazard mitigation for a specific project.

Puerto Rico Electric Power Authority (PREPA) is the agency that provides the electric service to the residents and of Puerto Rico. As such, the facilities, sites, and systems identified in this Scope of Work are eligible as critical services facilities as defined in the PAAP (Section 428) and BBA 2018 guidance documents. Additional details may be found in Sections 3 and 4, respectively.

Facilities

Name	GPS Location
Mayaguez Power Plant 1A y 1B	

Project Scope of Work

The scope of work for Mayaguez Units 1A and 1B Gas Generators Repair, Unit 1A Bearing Repairs and Unit 1B Stage 2+ Upgrade will consist of the following:

- A. Repair of units 1A and 1B gas generator.
- B. Unit 1A Power Turbine (PT) section bearing repair.

ARG Precision Corp (SELLER) Responsibilities GG 743057, GG 743060 & PT80304:

1) Reason for Shop Visit

a) Induction and disassembly of GG 743057 and GG 743060 to perform repairs due to Hot Section Distress per the pre-induction estimate assumptions described below.

b) Induction and disassembly of PT 80304 to perform Stage 2+ upgrades

2) Induction and Disassembly of Engines at MPW-AERO Shop once received.

3) Inspect damage areas and repair following manufacturer guidelines.

4) Assembly and Shop Testing.

5) During final negotiation with PREPA, ARG will discuss the final logistics for local manpower, bonds, equipment and tools as well as the Inbound and Outbound Transportation costs and costs of insurance required for transporting to and from MPW-AERO facility.

ARG Precision Corp (SELLER) Responsibilities PT80728:

1) Reason for Shop Visit: Induction and disassembly, and repair of # 8 bearing plus any additional findings based on the ROM Estimate scope. MPA Ref. # C010934_U1A PT80728 XS603A Chp Analysis_FT8_0705_802782) and Boroscopic inspection performed at site recommended by manufacturer.

2) The recommendation is replacing bearings 8 and 9 due to the findings as per PT80278 Meta Analysis and engineering disposition.

3) Induction and disassembly of Power Turbine at MPA Shop once received

4) Inspect damage areas and repair following manufacturer guidelines

5) Assembly and Shop Testing

6) During final negotiation with PREPA, ARG will discuss the final logistics for local manpower, equipment and tools as well as the Inbound and Outbound Transportation costs and costs of insurance required for transporting to and from MPW-AERO facility.

- Stage 2+ up: extended duct to reduce gas path length.
- Add heat and cooling flow to reduce thermal stress.
- Vane trough bolt and nut to eliminate bolt cracking.
- Improved duct vane joint to eliminate vibration.

Cost Estimate

The estimate includes materials, construction labor and equipment, engineering, permitting, management, and contingencies. Costs based on historical pricing.

Cost Type	Amount (\$M)
Repair of Units 1A and 1B Gas Generator	\$12,884,210
Unit 1A Power Turbine (PT) repair	\$475,810
Stage 2+ Upgrade	\$3,285,000
Estimated Transportation Costs	\$500,000
Unforeseen Damages & Technical Field Service Assistance	\$850,000
Total Project Estimated Cost	\$17,995,020

Work to be Completed total: \$17,995,020.00

Total Damage Inventory: \$18,192,582.58 (WC + WTBC)

For additional information:

Work Completed, please refer to *CONTRACT WORK SUMMARY RECORD.xlsx*

Work to Be Completed, please refer to: *663385-DR4339PR-PREPA SOW MAYAGUEZ POWER PLANT 1A-1B Rev (1).pdf*

406 HMP Scope

Project consists of Emergency Repairs to Gas Turbine Generators at Mayaguez PR. There is no feasible Hazard Mitigation Opportunity for this Project.

Cost

Code	Quantity	Unit	Total Cost	Section
9201 (PAAP Fixed Estimate (No Value - Tracking Purposes Only))	1.00	Lump Sum	\$0.00	Completed
9001 (Contract (FAAST Project 136271))	1.00	Lump Sum	\$197,562.58	Completed
9001 (Contract (FAAST Project 136271))	1.00	Lump Sum	\$17,995,020.00	Uncompleted

CRC Gross Cost \$18,192,582.58

Total 406 HMP Cost \$0.00

Total Insurance Reductions \$0.00

CRC Net Cost \$18,192,582.58

Federal Share (90.00%) \$16,373,324.33

Non-Federal Share (10.00%) \$1,819,258.25

Award Information

Version Information

Version #	Eligibility Status	Current Location	Bundle Number	Project Amount	Cost Share	Federal Share Obligated	Date Obligated
0	Eligible	Awarded	PA-02-PR-4339-PW-10455(11490)	\$18,192,582.58	90 %	\$16,373,324.32	4/7/2022

Drawdown History

EMMIE Drawdown Status As of Date	Obligation Number	Expenditure Number	Expended Date	Expended Amount
No Records				

Subgrant Conditions

- As described in Title 2 Code of Federal Regulations (C.F.R.) § 200.333, financial records, supporting documents, statistical records and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three (3) years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. Exceptions are stated in 2 C.F.R. §200.333(a) – (f)(1) and (2). All records relative to this project are subject to examination and audit by the State, FEMA and the Comptroller General of the United States and must reflect work related to disaster-specific costs.
- In the seeking of proposals and letting of contracts for eligible work, the Applicant/Subrecipient must comply with its Local, State (provided that the procurements conform to applicable Federal law) and Federal procurement laws, regulations, and procedures as required by FEMA Policy 2 CFR Part 200, Procurement Standards, §§ 317-326.
- The Recipient must submit its certification of the subrecipient's completion of this project, the final claim for payment, and supporting documentation within 180 days from the date that the applicant completes the scope of work, or the project deadline, whichever occurs first. FEMA reimburses Large Projects (those with costs above the large project threshold) based on the actual eligible final project costs. Therefore, during the final project reconciliation (closeout), the project may be amended to reflect the reconciliation of actual eligible costs.
- When any individual item of equipment purchased with PA funding is no longer needed, or a residual inventory of unused supplies exceeding \$5,000 remains, the subrecipient must follow the disposition requirements in Title 2 Code of Federal Regulations (C.F.R.) § 200.313-314.
- The terms of the FEMA-State Agreement are incorporated by reference into this project under the Public Assistance award and the applicant must comply with applicable laws, regulations, policy, and guidance. This includes, among others, the Robert T. Stafford Disaster Relief and Emergency Assistance Act; Title 44 of the Code of Federal Regulations; FEMA Policy No. 104-009-2, Public Assistance Program and Policy Guide; and other applicable FEMA policy and guidance.
- The DHS Standard Terms and Conditions in effect as of the declaration date of this emergency declaration or major disaster, as applicable, are incorporated by reference into this project under the Public Assistance grant, which flow down from the Recipient to subrecipients unless a particular term or condition indicates otherwise.
- The Uniform Administrative Requirements, Cost Principles, and Audit Requirements set forth at Title 2 Code of Federal Regulations (C.F.R.) Part 200 apply to this project award under the Public Assistance grant, which flow down from the Recipient to all subrecipients unless a particular section of 2 C.F.R. Part 200, the FEMA-State Agreement, or the terms and conditions of this project award indicate otherwise. See 2 C.F.R. §§ 200.101 and 110.
- The subrecipient must submit a written request through the Recipient to FEMA before it makes a change to the approved scope of work in this project. If the subrecipient commences work associated with a change before FEMA approves the change, it will jeopardize financial assistance for this project. See FEMA Policy No. 104-009-2, Public Assistance Program and Policy Guide.
- Pursuant to section 312 of the Stafford Act, 42 U.S.C. 5155, FEMA is prohibited from providing financial assistance to any entity that receives assistance from another program, insurance, or any other source for the same work. The subrecipient agrees to repay duplicated assistance to FEMA if they receive assistance for the same work from another Federal agency, insurance, or any other source. If an subrecipient receives funding from another federal program for the same purpose, it must notify FEMA through the Recipient and return any duplicated funding.

Insurance

Additional Information

3/24/2022

GENERAL INFORMATION

Event: 4339DR PR

Project: SP 663385

Category of Work: Cat F Utilities

Applicant: PR Electric Power Authority

Event Type: Hurricane / Maria

Cause of Loss: Wind / Wind Driven Rain

Incident Period: 9/17/2017 to 11/15/2017

Total Public Assistance Amount: Repairs cost \$18,192,582.58

COMMERCIAL INSURANCE INFORMATION

Does the applicant have a Commercial Policy that extends coverage for this facility: Yes

Policyholder per Policy Documents: "Puerto Rico Electric Power Authority"

Policies Issued by: Multinational Insurance Company and Mapfre

Policy Numbers:

Mapfre Praico Insurance Company (1398178000644)

Multinational Insurance Company (88 CP 000307831 2, 88 CP 000318673 0, 88 CP000318674 0, 88 CP 000318675 0, 88 CP 000318676 0, 88 CP 000318677 0)

Policy Period: From: 5/15/2017 To: 5/15/2018

Policy Limits: \$300,000,000.00

RCV or ACV: Replacement Cost Value

Deductible Amount \$25,000,000.00 each and every occurrence property damage and 30 days each and every occurrence business interruption in respect of Named Windstorm.

Does the Applicant's Commercial Policy extend coverage for the damage described in this project: Yes

The amount of the deductible being funded in this project is \$0.00.

The amount of the deductible previously funded in other projects is \$0.00.

Final Insurance Settlement Status: Insurance proceeds for this project are anticipated

The amount of Anticipated Insurance Proceeds for Project: \$0.00

The amount of Anticipated Insurance Reduction applied for Project: \$0.00

NUMBER OF DAMAGED LOCATIONS INCLUDED IN THIS PROJECT: (1)

Damaged Inventory (DI) #661257:

FAAST [Mayaguez Hydro-Gas Power Plant]

Location Description: The Mayaguez Power Station comprises four, 55MW each, twin engine aeroderivative gas turbines, model FT8 and manufactured by PW Power Systems LLC (PWPS), now known as Mitsubishi Power Aero LLC (MPA), for total capacity of 220MW. Said gas turbines currently utilize #2 distillate fuel oil as their primary fuel. Gas turbines units 1A and 1B are out of service since September 18, 2020, due to failures in their gas generators. Gas turbines 1A and 1B gas generator components, serial numbers 743060 and 743057 respectively, showed loss of material and thermal barrier coating on combustors, blades and vanes in the high and low pressure sections, crack failures in transition ducts, and seal failures in both high and low pressure sections of the compressor. PWPS notified and recommended PREPA, in document PWPS Customer Service Engineering Boroscope Review Comments and Recommendations, dated May 25 and 26, 2020, to remove from service those units in order to prevent a catastrophic failure. Repairs to both units are also required to be performed at PWPS shop in Connecticut. The Mayaguez Hydro Gas Power Plant sustained damages in the following areas, that were in need of immediate repair to bring the units back on line as quickly as possible. All work has been completed and was included within the Fixed Cost Estimate (FCE) under the Generation inventory. Gas Generator (Damage 2): Material purchase for Mayaguez Warehouse. Brush Generator Unit 1 (Damage 4): Parts purchase for Unit 1. Fuel Tank 1 (Damage 11): Labor and materials for the removal, adequate disposition, and replacement of the fuel tank 1 cyclone fence that was damaged because of the trees that fell on it. Mayaguez Plant Operations (Damage 12): Purchase of membranes and its related parts for the Plant operation.

GPS Coordinates: [REDACTED]

Cause of Loss: Wind / Wind Driven Rain

SOV / Schedule #: N/A

SOV / Schedule Amount: N/A

Applicable Deductible Amount: N/A

Damage Inventory Amount: Repairs cost \$18,192,582.58

-

Prior Obtain and Maintain Requirement:

No prior insurance requirements were found for this facility

-

Reduction(s):

No Reduction is being made to this facility. An anticipated insurance reduction was applied in FAAST project #136271.

Obtain and Maintain Requirement:

An Obtain & Maintain Requirement is being required for Building, for the peril of Wind (all wind associated losses including "wind driven rain" for the Mayaguez Power Plant 1A y 1B located at "FAAST [Mayaguez Hydro Gas Power Plant]" in the amount of \$18,158,082.58 (Repairs cost \$18,192,582.58 Uninsurable Repairs for Cyclone Fence Replacement \$34,500.00); *refer to the Scope of work (SOW)*.

Insurance Proceeds Statement:

FEMA acknowledges that the Applicant is in negotiations with their insurance carrier at the time of the FEMA insurance review and might have received partial settlements. In accordance with 44 CFR §206.250 253, in the absence of an actual settlement, anticipated insurance recoveries will be deducted from this project based on Applicant's insurance policy limits. FEMA subsequently adjusts the eligible costs based on the actual amount of insurance proceeds the Applicant receives after a final settlement.

FEMA's Recovery Policy FP 206 086 1, Public Assistance Policy on Insurance (June 29, 2015), requires applicants to take reasonable efforts to recover insurance proceeds that it is entitled to receive from its insurers. FEMA will consider final insurance settlements that may be less than the insurance policy limits when an applicant demonstrates that it has taken reasonable efforts to recover insurance proceeds that it is entitled on a case by case basis.

FEMA Policy 206-086-1

H. Subsequent Assistance. When a facility that received assistance is damaged by the same hazard in a subsequent disaster:

1. If the applicant failed to maintain the required insurance from the previous disaster, then the facility is not eligible for assistance in any subsequent disaster.
2. Upon proof that the applicant maintained its required insurance, FEMA will reduce assistance in the subsequent disaster by the amount of insurance required in the previous disaster regardless of:
 - a. The amount of any deductible or self insured retention the applicant assumed ("retained risk").

Obtain and Maintain Requirements:

44 CFR § 206.253 Insurance requirements for facilities damaged by disasters other than flood.

(a) Prior to approval of a Federal grant for the restoration of a facility and its contents which were damaged by a disaster other than flood, the recipient shall notify the Regional Administrator of any entitlement to insurance settlement or recovery for such facility and its contents. The Regional Administrator shall reduce the eligible costs by the actual amount of insurance proceeds relating to the eligible costs.

(b)

(1) Assistance under section 406 of the Stafford Act will be approved only on the condition that the recipient obtain and maintain such types and amounts of insurance as are reasonable and necessary to protect against future loss to such property from the types of hazard which caused the major disaster. The extent of insurance to be required will be based on the eligible damage that was incurred to the damaged facility as a result of the major disaster. The Regional Administrator shall not require greater types and extent of insurance than are certified as reasonable by the State Insurance Commissioner.

(2) Due to the high cost of insurance, some applicants may request to insure the damaged facilities under a blanket insurance policy covering all their facilities, an insurance pool arrangement, or some combination of these options. Such an arrangement may be accepted for other than flood damages. However, if the same facility is damaged in a similar future disaster, eligible costs will be reduced by the amount of eligible damage sustained on the previous disaster.

(c) The Regional Administrator shall notify the recipient of the type and amount of insurance required. The recipient may request that the State Insurance Commissioner review the type and extent of insurance required to protect against future loss to a disaster damaged facility, the Regional Administrator shall not require greater types and extent of insurance than are certified as reasonable by the State Insurance Commissioner.

(d) The requirements of section 311 of the Stafford Act are waived when eligible costs for an insurable facility do not exceed \$5,000. The Regional Administrator may establish a higher waiver amount based on hazard mitigation initiatives which reduce the risk of future damages by a disaster similar to the one which resulted in the major disaster declaration which is the basis for the application for disaster assistance.

(e) The recipient shall provide assurances that the required insurance coverage will be maintained for the anticipated life of the restorative work or the insured facility, whichever is the lesser.

(f) No assistance shall be provided under section 406 of the Stafford Act for any facility for which assistance was provided as a result of a previous major disaster unless all insurance required by FEMA as a condition of the previous assistance has been obtained and maintained.

Final Obtain and Maintain requirement amount will be determined during the closeout process after the final actual eligible costs to repair or replace the insurable facility have been determined.

FEMA Policy 206-086-1

F. Timeframes for Obtaining Insurance. FEMA will only approve assistance under the condition that an applicant obtains and maintains the required insurance.

The applicant must document its commitment to comply with the insurance requirement with proof of insurance.

If an applicant cannot insure a facility prior to grant approval (for example, if a building is being reconstructed), the applicant may provide a letter of commitment stating that they agree to the insurance requirement and will obtain the types and extent of insurance required, followed at a later date by proof of insurance once it is obtained. In these cases, the applicant should insure the property:

- a. When the applicant resumes use of or legal responsibility for the property (for example, per terms of construction contract or at beneficial use of the property); or
- b. When the scope of work is complete.

FEMA and the recipient will verify proof of insurance prior to grant closeout to ensure the applicant has complied with the insurance requirement.

An applicant should notify FEMA in writing through the recipient of changes to their insurance which impact their ability to satisfy the insurance requirement after it provides proof of insurance to FEMA. This includes changes related to self insurance. If an applicant fails to do this, FEMA may de obligate assistance and not provide assistance in a future disaster.

Charlotte De Jesus Negron, PA Insurance Specialist
CRC Atlantic, Guaynabo, PR

O&M Requirements

Insured Peril	Item Type	Description	Required Coverage Amount
Wind	Bui ding	An Obtain & Maintain Requirement is being required for Bui ding, for the peri of Wind (a wind associated osses including "wind driven rain" for the Mayaguez Power Plant 1A y 1B ocated at "FAAST [Mayaguez Hydro-Gas Power Plant]" in the amount of \$18,158,082.58.	\$18,158,082.58

406 Mitigation

There is no additional mitigation information on **FAAST [Mayaguez Hydro-Gas Power Plant Permanent Repairs] (Generation)**.

Environmental Historical Preservation

Is this project compliant with EHP laws, regulations, and executive orders?

Yes

EHP Conditions

- Any change to the approved scope of work will require re-evaluation for compliance with NEPA and other Laws and Executive Orders.
- This review does not address additional federal, state and local requirements. Acceptance of federal funding requires recipient to comply with additional federal, state and local laws. Failure to obtain additional appropriate federal, state and local environmental permits and clearances may jeopardize funding.
- If ground disturbing activities occur during construction, applicant will monitor ground disturbance and if any potential archaeological resources are discovered, will immediately cease construction in that area and notify the State and FEMA.
- Resource Conservation and Recovery Act, aka Solid Waste Disposal Act (RCRA): The Applicant shall handle, manage, and dispose of all types of hazardous waste in accordance with requirements of local, state, and federal laws, regulations, and ordinances. In addition, the Applicant shall ensure that all debris is separated and disposed of in a manner consistent with the PR DNER guidelines at a permitted site or landfill. The contractor/applicant will be responsible for the proper disposition of construction debris in authorized landfills providing the name, location, coordinates and permits of the facility to the corresponding authorities. Unusable equipment, debris, white goods, scrap metal and other materials shall be disposed in approved manner and location. In the event significant items are discovered during the implementation or development of the project the Applicant shall handle, manage and dispose of petroleum products, hazardous materials and toxic waste in accordance with the requirements of the local and federal agencies. Noncompliance with these requirements may jeopardize receipt of federal funds.
- Executive Order 11988 - Floodplains: Applicant must obtain any required permits from the Planning Board prior to initiating work and comply with any conditions of the permit. All coordination (emails, letters, documented phone calls) pertaining to these activities and compliance must be provided and maintained in the Applicant's permanent files.

EHP Additional Info

There is no additional environmental historical preservation on **FAAST [Mayaguez Hydro-Gas Power Plant Permanent Repairs] (Generation)**.

Final Reviews

Final Review

Reviewed By MARTINEZ SANTIAGO, ISRAEL

Reviewed On 04/05/2022 3:46 PM AST

Review Comments

Project is ready for Recipient Review.

Recipient Review

Reviewed By Sa gado, Gabrie

Reviewed On 04/05/2022 4:04 PM AST

Review Comments

Recipient review is comp eted. Project is ready for App icant Review.

Fixed Cost Offer

As a Pub ic Assistance (PA) Subrecipient PR E ectric Power Authority (000-UA2QU-00), in accordance with Section 428 of the Robert T. Stafford Disaster Re ief and Emergency Assistance Act, the App icant agrees to accept a permanent work subaward based on a Fixed Cost Offer in the amount of \$18,192,582.58 for subaward number 10455 under Disaster # 4339. The App icant accepts responsibi ity for a costs above the Fixed Cost Offer.

The App icant understands that by participating in this pi ot program they wi be reimbursed for a owab e costs in accordance with 2 CFR Part 200, and the reimbursement wi not exceed the Fixed Cost Offer. The App icant a so understands that by agreeing to this Fixed Cost Offer, they wi not receive additiona funding re ated to the faci ities or sites inc uded in the subaward. The App icant a so acknow edges that fai ure to comp y with the requirements of app icab e aws and reguations governing assistance provided by FEMA and the PA A ternative Procedures Pi ot Program Guidance (such as procurement and contracting; environmenta and historic preservation comp iance; and audit and financia accountabi ity) may ead to oss of federa funding.

Project Signatures

Signed By Nieves, Ezequie

Signed On 04/05/2022

Attachment B



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Mail Invoice To:

AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-
8253

Vendor:

ARG PRECISION CORP
PMB 911
PO BOX 2500
TOA BAJA PR 00951

Please Direct Inquiries To:

JOEL D PANTOJAS-CARABALLO
JPANTOJAS13525@AEEPR.COM
Title PROCUREMENT SUPV G5
Phone/Alternate Phone:
787-521-3034
Fax 787-521-3171

Work Location:

ING. ELECT. HIDRO GAS PLANTA
CARR. NUM. 3341 (ANTIGUA AVE M
FRENTE AUTORIDAD DE LOS PUERTO
MAYAGUEZ PR 00680

Title

MAYAGUEZ UNITS 1A & 1B GG REPAIRS AND PT STAGE 2+ UPGRADE UNIT 1B

Contract Value

Total Value	\$ 17,645,950 .8700 USD	** NOT TO EXCEED **
Pricing Method	ESTIMATE	
Contract Type	SERVICES	Start Date 2/2/22
Project		End Date 7/22/22





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**PUERTO RICO ELECTRIC
POWER AUTHORITY****Contract****Signatures**

 Vendor Authorized Signature	por:  Authorized Signature
<u>Armando J. Rodriguez, President</u> Printed Name/Title	<u>Mario E. Miranda - Jefe División de Suministros</u> Printed Name/Title
<u>3/17/2022</u> Date Signed	<u>03-17-2022</u> Date Signed
Phone	<u>787-521-4988</u> Phone

Terms and Conditions - Text at End

Facility	Standard	Revision	S/P	Text	Title
	PH000001	004	S	Y	EQUAL OPPORTUNITY
	PH000002	005	S	Y	COMPLIANCE WITH LAWS.
	PH000004	005	S	Y	INFRINGEMENT
	PH000006	016	S	Y	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTAT
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000031	009	S	Y	CONFIDENTIALITY
	PH000033	009	S	Y	FORCE MAJEURE
	PH000037	008	S	Y	TERMINOS PARA RETENCION EN EL ORIGEN
	PH000038	005	S	Y	NONWAIVER.
	PH000039	008	S	Y	PRICE & PAYMENT
	PH000040	007	S	Y	RELATIONSHIP OF THE PARTIES.
	PH000056	008	S	Y	TAXES AND DUTIES



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Terms and Conditions - Text at End

Facility	Standard	Revision	S/P	Text	Title
	PH000057	005	S	Y	TERMINATION
	PH000079	001	S	Y	QUALITY STANDARDS AND WARRANTIES 1
	PH000080	002	S	Y	QUALITY STANDARDS AND WARRANTIES 2
	PH000082	002	S	Y	ANTI-KICKBACK

Contract Amendments

Title		SUPPLY DAMAGED PARTS OF PROTECTION AND CONTROL SYSTEMS	
Amendment	001	Execution Date	3/17/22
Amended Start Date		Amended End Date	
Amendment Value	\$ 409,600.870 0	USD	** NOT TO EXCEED **
Pricing Method			

Amendment Scope

ENMIENDA # 1

SE EMITE ESTA ENMIENDA PARA AUMENTAR LA CUANTIA DEL CONTRATO POR \$409,600.87 ADICIONALES. ESTO PARA CUBRIR COMPONENTES DAÑADOS ASOCIADOS AL SISTEMA DE PROTECCIÓN Y CONTROL DE LAS UNIDADES 1A Y 1B LUEGO DE LA INSPECCIÓN REALIZADA. DICHO CONTRATO AUMENTARÍA EN SU TOTALIDAD DE \$17,236,350.00 A \$17,645,950.87. ESTA ENMIENDA AL CONTRATO FUE DEBIDAMENTE APROBADA POR EL PRINCIPAL OFICIAL EJECUTIVO DE LA A.E.E., ING. JOSUÉ A. COLÓN ORTÍZ.



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Contract Amendments

Amendment Scope

TODOS LOS DEMÁS TÉRMINOS, CONDICIONES Y ESPECIFICACIONES QUE NO HAYAN SIDO MODIFICADOS POR ESTA ENMIENDA QUEDAN INALTERADOS.

Terms and Conditions - Text

Facility		Standard	PH000001
Revision	004	Description	EQUAL OPPORTUNITY

EQUAL OPPORTUNITY.

By accepting this Purchase Order, the Seller certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify Buyer against any claims arising from such unlawful discrimination by Seller.

Facility		Standard	PH000002
Revision	005	Description	COMPLIANCE WITH LAWS.

COMPLIANCE WITH LAWS.

Seller warrants that the Materials, Services or Work Product shall be performed, produced, priced, sold and delivered in strict compliance with all applicable local, domestic and international laws, rules and regulations.



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Terms and Conditions - Text

Facility		Standard	PH000004
Revision	005	Description	INFRINGEMENT

INFRINGEMENT.

Seller shall hold harmless, defend and indemnify Buyer , its affiliates and its and their respective employees, officers and directors from and against all claims, demands, losses or damages, costs or expenses (including attorneys' fees and other expenses incident thereto) arising out of any infringement, or any alleged infringement, of any intellectual property rights, including rights arising under any patent, copyright, trademark, license and trade secret, in connection with any Material, Work Products, or Services, except to the extent any infringement resulted from designs provided by Buyer to Seller. Without limiting the foregoing, the Seller shall, at its own expense (i) procure for the Buyer an irrevocable royalty-free license or right to continue using such Materials, Work Product or Services (ii) with Buyer's prior written approval, replace the infringing Material, Work Product, or Services with substantially equal but non-infringing Materials, Work Product or Services or (iii) with Buyer's prior written authorization, modify the infringing Materials, Work Product or Services so it becomes non-infringing; provided that no such replacement or modification shall in any way amend or relieve Seller of its warranties and guarantees set forth in this Order.



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Terms and Conditions - Text

Facility		Standard	PH000006
Revision	016	Description	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE

CLÁUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDERALES
EN CUMPLIMIENTO CON LA SECCIÓN 2906 DEL ARTÍCULO 2, DEL CÓDIGO DE RENTAS
INTERNAS DE PUERTO RICO, LA AUTORIDAD DE ENERGÍA ELÉCTRICA ESTÁ EXENTA DEL
PAGO DEL ARBITRIO GENERAL DEL 6.6%. ADEMÁS, A PARTIR DEL 15 DE NOVIEMBRE
DE 2006, ESTÁ EXENTA DEL PAGO DEL IMPUESTO A LA VENTA Y USOS (IVU) ESTATAL
Y MUNICIPAL POR VIRTUD DE LA SECCIÓN 2508 DE LA LEY 117 DEL 4 DE JULIO DE
2006, CONOCIDA COMO LA LEY DE JUSTICIA CONTRIBUTIVA.

* LAS FACTURAS TIENEN QUE DETALLAR EL CONCEPTO DE LA COMPRA O SERVICIO.

LOCAL AND FEDERAL TAXES CLAUSE

IN COMPLIANCE WITH PUERTO RICO'S INTERNAL REVENUE SERVICE CODE, SECTION
2906, ARTICLE 2, PUERTO RICO ELECTRIC POWER AUTHORITY IS EXEMPT OF 6.6%
TAX PAYMENT, ALSO, STARTING ON NOVEMBER 15TH, 2006; AND IN ACCORDANCE TO
LAW 117 OF 4TH OF JULY OF 2006, KNOWN AS "LEY DE JUSTICIA CONTRIBUTIVA";
PREPA IS EXCEMPT OF "IVU (IMPUESTO A LA VENTA Y USOS ESTATAL Y MUNICIPAL)"
TAX PAYMENT.

INVOICES SHALL INCLUDE ALL DETAILS RELATED TO GOOD OR SERVICE PURCHASED.

Facility		Standard	PH000007
Revision	004	Description	APPLICABLE LAW

APPLICABLE LAW.



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Terms and Conditions - Text

Facility		Standard	PH000007
Revision	004	Description	APPLICABLE LAW

This Order will be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico without regard to its principles regarding conflicts of laws. Exclusive jurisdiction and venue for any action arising hereunder will be in Puerto Rico, whether in Federal or Commonwealth Court.

Facility		Standard	PH000011
Revision	006	Description	CHANGES TO ORDER.

CHANGES TO ORDER.

No modifications, changes or substitutions of Materials, Services or Work Product or extra charges of any kind or change in or cancellation of or waiver of or exception to any of the terms or conditions of this Order will be recognized unless authorized by Buyer in writing. Buyer may direct, in writing, changes, including additions to or deletions from the quantities of Materials, Work Product or Services originally ordered, or in the specifications or drawings. Unless otherwise agreed to by the parties, if any such change causes an increase or decrease in the cost of, or the time required for performance hereunder, an equitable adjustment shall be made in the price and/or delivery schedule. Any claims for adjustment shall be asserted by Seller no later than thirty (30) days from the date of Seller's receipt of notice of such change. Nothing contained herein shall excuse Seller from proceeding with a change directed by Buyer



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Facility		Standard	PH000011
Revision	006	Description	CHANGES TO ORDER.

prior to negotiation of any adjustment. Notwithstanding the foregoing, mutually agreeable adjustments for any changes under this Order may be made by a written Order revision from one party which is confirmed in writing by the other party.

Facility		Standard	PH000031
Revision	009	Description	CONFIDENTIALITY

CONFIDENTIALITY.

This Order and all plans, drawings, designs and specifications which may be supplied by Buyer to Seller shall remain the property of Buyer and any information derived there from or otherwise communicated to the Seller in connection with this Order shall be regarded by Seller as strictly confidential and shall not, without the prior written consent of Buyer, be disclosed to any third party or made use of by Seller.

Facility		Standard	PH000033
Revision	009	Description	FORCE MAJEURE

FORCE MAJEURE.

Neither party shall be in breach of the Order to the extent that any delay or default in performance is due to Force Majeure. The term "Force Majeure" will mean any cause which is not within the control of the party claiming force majeure and which, by the exercise of due diligence, such party is unable to prevent or overcome, including but not limited to,



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Facility		Standard	PH000033
Revision	009	Description	FORCE MAJEURE

flood, fire, tornado, governmental order, insurrections, riots and wars. Within seven (7) days of the commencement of an event of Force Majeure, the party affected thereby will provide the other party with written notice of the event. Any event of Force Majeure shall not affect Buyer's right of termination as set forth in TERMINATION Section hereof.

Facility		Standard	PH000037
Revision	008	Description	TERMINOS PARA RETENCION EN EL ORIGEN

INFORMACION SOBRE RETENCIÓN EN EL ORIGEN

LA AUTORIDAD RETENDRÁ EL EQUIVALENTE AL 10% DE TODO PAGO POR SERVICIOS PRESTADOS QUE SE EFECTÚE BAJO ESTE CONTRATO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIÓN 1143, SEGÚN ENMENDADA. NO OBSTANTE, SE DISPONE QUE LA RETENCIÓN A EFECTUARSE POR LA AUTORIDAD BAJO LAS DISPOSICIONES DE LA PRESENTE CLÁUSULA PODRÍA AUMENTAR A: 20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL POFESIONAL FUERA UN INDIVIDUO NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.



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Terms and Conditions - Text

Facility		Standard	PH000037
Revision	008	Description	TERMINOS PARA RETENCION EN EL ORIGEN

SI EL DEPARTAMENTO DE HACIENDA HA EMITIDO UN CERTIFICADO DE RELEVO A FAVOR DEL PROFESIONAL, ES RESPONSABILIDAD DE ÉSTE, SOMETER COPIA DEL RELEVO A LA AUTORIDAD PARA CADA AÑO NATURAL, DE LO CONTRARIO, LOS PAGOS SEGUIRÁN SUJETOS A LA RETENCIÓN EN EL ORIGEN. TODA FACTURA DEBE DETALLARSE POR CONCEPTOS (SERVICIOS, MATERIALES, EQUIPO, ETC.) PARA IDENTIFICAR LAS PARTIDAS SUJETAS A RETENCIÓN Y EVITAR DESCUENTOS INDEBIDOS.

LA AEE PUEDE TERMINAR ESTE CONTRATO UNILATERALMENTE, EN CASO DE QUE EL CONTRATISTA NO OBSERVE CUALQUIERA DE LAS CLÁUSULAS ANTERIORES, POR CUALQUIER FALLA EN EL CUMPLIMIENTO CON CUALQUIERA DE LAS DISPOSICIONES DEL CONTRATO, INCLUYENDO ESTE ADDENDUM, MEDIANTE LA PREVIA NOTIFICACIÓN POR ESCRITO AL CONTRATISTA DENTRO DEL TÉRMINO DE TREINTA DÍAS ANTES DE COBRAR EFECTIVIDAD LA TERMINACIÓN.

Facility		Standard	PH000038
Revision	005	Description	NONWAIVER.

NONWAIVER.

No waiver by any party of any condition, or of any breach of any provision contained in this Order, in any one or more instances, will be deemed to be or construed as a further or continuing waiver of any such condition or breach or waiver of any other condition or of any breach of any other provision.



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Terms and Conditions - Text

Facility		Standard	PH000039
Revision	008	Description	PRICE & PAYMENT

PRICE & PAYMENT.

The prices specified in the Purchase Order shall include all charges and expenses in connection with the packing and shipping of the Materials to Buyer. No additional charges of any kind will be allowed unless specifically agreed to in writing in advance. Payment will be made as set forth in this Order; however payment may be withheld or portions thereof may be deducted or setoffs may be made against Seller if Seller does not perform in accordance with this Order. The time for payment of invoices and acceptance of any applicable discounts shall be based on the date when the invoice is received and stamped by PREPA's Accounts Payable, and all pertinent information is correct on the invoice.

All invoices are to be sent to the following address: Puerto Rico Electric Power Authority, Treasury Division, PO Box 70253, San Juan, PR 00936.

Facility		Standard	PH000040
Revision	007	Description	RELATIONSHIP OF THE PARTIES.

RELATIONSHIP OF THE PARTIES.

Seller is an independent contractor. This Purchase Order does not create a partnership or joint venture between Seller and Buyer. Seller is not an agent of Buyer, and Seller has no authority to act on behalf of Buyer. Except as otherwise provided in this Purchase Order, Seller will provide any and all labor, supervision, materials, and equipment necessary to



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Terms and Conditions - Text

Facility		Standard	PH000040
Revision	007	Description	RELATIONSHIP OF THE PARTIES.

provide the Materials, Services or Work Product as set forth in this Order, and Seller will obtain any and all permits and authorizations required by applicable law to provide such Materials, Services or Work Product. Seller will control the means and manner of the providing of the Materials, Services or Work Product. Seller's personnel will not be considered employees of Buyer, and Buyer will not provide Seller's personnel with wages, salaries, or benefits.

Facility		Standard	PH000056
Revision	008	Description	TAXES AND DUTIES

TAXES AND DUTIES.

Seller shall be responsible for and pay directly, all corporate and individual taxes measured by net income or profit imposed by any governmental authority on Seller, its employees or subcontractors due to the execution of any agreement or the performance of or payment for work hereunder. Unless otherwise agreed in writing or prohibited by law, the price set forth in this Order shall not include any local tax (IVU) but Seller shall pay any federal tax, US Customs fees, Shipping Surcharge fees or other tax required to be imposed on the Materials, Services or Work Product.

Important:

PREPA is a government owned company exempt for pay taxes under Section



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Facility		Standard	PH000056
Revision	008	Description	TAXES AND DUTIES

2906, Article 2 of Puerto Rico's Internal Revenue Service Code and Section 2508 of Law Number 117 of July 4, 2006 known as "Ley de Justicia Contributiva (IVU)"

Facility		Standard	PH000057
Revision	005	Description	TERMINATION

TERMINATION.

Buyer may, at its option, cancel any unfulfilled Order, in which event Buyer's only obligation shall be to pay for Materials shipped or Work Product or Services performed prior to the receipt cancellation; provided, however, that if this Order covers Materials manufactured to Buyer's specifications, upon receipt of notice of cancellation, Seller shall stop all performance except as otherwise directed by Buyer, and if Seller is not in breach of this Order, Buyer shall pay Seller's actual, direct, unavoidable and reasonable costs resulting from such termination, not to exceed the total price of the Materials, Work Product or Services stated in this Order. Upon such payment, title to any Materials or Work Product, including uncompleted Materials or Work Product, shall pass to Buyer. In the event of default by Seller in the performance of any obligation hereunder, including time of delivery, or in the event it becomes apparent that delivery cannot be accomplished within the time specified, Buyer may, at its option, cancel this Order entirely, without penalty or liability



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Facility		Standard	PH000057
Revision	005	Description	TERMINATION

(except for Materials received and accepted.) All provisions necessarily requiring survival beyond any termination of this Order, including, but not limited to, those relating to audit, choice of law, confidentiality, indemnity, title and warranty shall survive any such termination.

Facility		Standard	PH000079
Revision	001	Description	QUALITY STANDARDS AND WARRANTIES 1

QUALITY STANDARDS AND WARRANTIES.

Seller warrants (i) title to the Materials or Work Product, free and clear of all liens and encumbrances and (ii) that Materials, Work Product and Services will be in exact accordance with this Order, the specifications, drawings, samples or other descriptions furnished or adopted by Buyer and will be fit and sufficient for the purpose intended, merchantable, of good material, design and workmanship, free from defect and be new and of best quality, unless otherwise specified. Such warranty shall survive delivery and shall not be deemed waived either by reason of Buyer's acceptance of the Materials, Work Product or Services or by payment for them. The Materials, Work Product or Services shall be subject to Buyer's right of inspection and rejection at any reasonable time before or during the manufacturing process or provision of Service and within forty-five (45) days after delivery to destination or completion. Materials, Work Product or Services other than those specified shall not be submitted without



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Terms and Conditions - Text

Facility		Standard	PH000079
Revision	001	Description	QUALITY STANDARDS AND WARRANTIES 1

Buyer's written authorization.

Facility		Standard	PH000080
Revision	002	Description	QUALITY STANDARDS AND WARRANTIES 2

Rejected Material and Services or Work Product may be returned or re-performed at Seller's expense. The making or failure to make any inspection, approval, payment or acceptance of the Materials, Work Product or Services shall in no way impair Buyer's right to reject or revoke acceptance of non-conforming Materials, Work Product or Services or to avail itself of any other remedies to which Buyer may be entitled, notwithstanding Buyer's knowledge, the substantiality, or the ease of discovery of any non-conformity. If any time prior to one (1) year from the date of completion of any Services, or the earlier of one (1) year from the date of installation or eighteen(18) months from receipt of any Materials or Work Product if the Materials, Work Product or Services, or any part thereof, do not conform to these warranties or the specifications, Seller shall promptly correct such nonconformity to the satisfaction of Buyer at Seller's sole expense; failing which, Buyer may proceed to make corrections or accomplish Seller's work by the most expeditious means available, and the costs of cover or correction shall be for Seller's account. Seller's liability hereunder shall extend to all damages proximately caused by the breach of any of the foregoing



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Terms and Conditions - Text

Facility		Standard	PH000080
Revision	002	Description	QUALITY STANDARDS AND WARRANTIES 2

warranties, including incidental damages such as removal, inspection, costs of return, warehousing and reinstallation. These warranties are in addition to, and shall not be construed as restricting or limiting any warranties of Seller, express or implied, or which are provided by law or exist by operation of law.

Facility		Standard	PH000082
Revision	002	Description	ANTI-KICKBACK

Seller represents that no unrecited consideration, kickbacks, fees, payments, gifts, entertainment, or things of value were given to or requested by any Buyer employee as an inducement to enter into or continue this Order, and that Seller further agrees to immediately report any such request, demand, or occurrence relating to any Buyer employee or this Order to: Puerto Rico Electric Power Authority, Material Management Division Head Office, P.O. Box 3670151, San Juan, Puerto Rico 00936-0151; Telephone: 787-521-3268, or 787-521-3310. Seller shall adhere to Buyer's Expected Ethical Conduct Standards as defined in PREPA's Code of Ethic or Leyes de Ética which is available at:

<http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/suministros.asp>

* * * End of Contract * * *



Contract ID 00092226

Contract Release

Execution Date 2/14/22

Printed 4/12/22

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Mail Invoice To:

AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-
8253

Vendor:

ARG PRECISION CORP
PMB 911
PO BOX 2500
TOA BAJA PR 00951

Please Direct Inquiries To:

JOEL D PANTOJAS-CARABALLO
JPANTOJAS13525@AEEPR.COM
Title PROCUREMENT SUPV G5
Phone/Alternate Phone:
787-521-3034
Fax 787-521-3171

Work Location:

ING. ELECT. HIDRO GAS PLANTA
CARR. NUM. 3341 (ANTIGUA AVE M
FRENTE AUTORIDAD DE LOS PUERTO
MAYAGUEZ PR 00680

Title

MAYAGUEZ UNITS 1A & 1B GG REPAIRS AND PT STAGE 2+ UPGRADE UNIT 1B

Contract Value

Total Value	\$ 17,711,612.6600 USD	** NOT TO EXCEED **
Pricing Method	ESTIMATE	
Contract Type	SERVICES	Start Date 2/2/22
Project		End Date 7/22/22



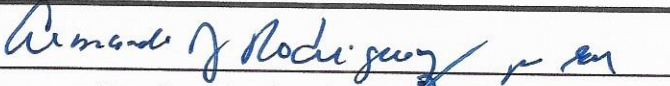
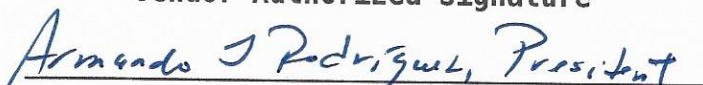
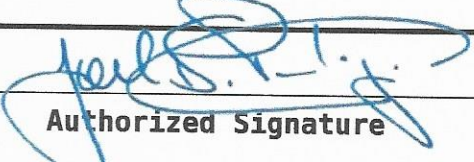
Contract ID 00092226

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**PUERTO RICO ELECTRIC
POWER AUTHORITY****Contract****Signatures**

 Vendor Authorized Signature  Printed Name/Title 4-12-2022 787-261-8644 Date Signed Phone	por:  Authorized Signature Mario E. Miranda - Jefe División de Suministros Printed Name/Title 04-12-2022 787-521-3262 Date Signed Phone
--	--

Terms and Conditions - Text at End

Facility	Standard	Revision	S/P	Text	Title
	PH000001	004	S	Y	EQUAL OPPORTUNITY
	PH000002	005	S	Y	COMPLIANCE WITH LAWS.
	PH000004	005	S	Y	INFRINGEMENT
	PH000006	016	S	Y	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTAT
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000031	009	S	Y	CONFIDENTIALITY
	PH000033	009	S	Y	FORCE MAJEURE
	PH000037	008	S	Y	TERMINOS PARA RETENCION EN EL ORIGEN
	PH000038	005	S	Y	NONWAIVER.
	PH000039	008	S	Y	PRICE & PAYMENT
	PH000040	007	S	Y	RELATIONSHIP OF THE PARTIES.
	PH000056	008	S	Y	TAXES AND DUTIES



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Terms and Conditions - Text at End

Facility	Standard	Revision	S/P	Text	Title
	PH000057	005	S	Y	TERMINATION
	PH000079	001	S	Y	QUALITY STANDARDS AND WARRANTIES 1
	PH000080	002	S	Y	QUALITY STANDARDS AND WARRANTIES 2
	PH000082	002	S	Y	ANTI-KICKBACK

Contract Amendments

Title		REPLACEMENT OF BEARING 7 AND ADDITIONAL BRG REPAIR WORKS	
Amendment	002	Execution Date	4/12/22
Amended Start Date		Amended End Date	
Amendment Value	\$ 65,661.7900 USD	** NOT TO EXCEED **	
Pricing Method			

Amendment Scope

ENMIENDA # 2

SE EMITE ESTA ENMIENDA PARA AUMENTAR LA CUANTÍA DEL CONTRATO POR \$65,661.79 ADICIONALES. ESTO PARA CUBRIR COMPONENTES DAÑADOS EN EL BEARING 7 LUEGO DE LA INSPECCIÓN REALIZADA. DICHO CONTRATO AUMENTARÍA EN SU TOTALIDAD DE \$17,645,950.87 A \$17,711,612.66. ESTA ENMIENDA AL CONTRATO FUE DEBIDAMENTE APROBADA POR EL PRINCIPAL OFICIAL EJECUTIVO DE LA A.E.E., ING. JOSUÉ A. COLÓN ORTÍZ.

TODOS LOS DEMÁS TÉRMINOS, CONDICIONES Y ESPECIFICACIONES QUE NO HAYAN SIDO



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PUERTO RICO ELECTRIC POWER AUTHORITY

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Contract Amendments

Amendment Scope

MODIFICADOS POR ESTA ENMIENDA QUEDAN INALTERADOS.

Terms and Conditions - Text

Facility	Standard	PH000001
Revision 004	Description	EQUAL OPPORTUNITY

EQUAL OPPORTUNITY.

By accepting this Purchase Order, the Seller certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify Buyer against any claims arising from such unlawful discrimination by Seller.

Facility	Standard	PH000002
Revision 005	Description	COMPLIANCE WITH LAWS.

COMPLIANCE WITH LAWS.

Seller warrants that the Materials, Services or Work Product shall be performed, produced, priced, sold and delivered in strict compliance with all applicable local, domestic and international laws, rules and regulations.

Facility	Standard	PH000004
Revision 005	Description	INFRINGEMENT



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PUERTO RICO ELECTRIC POWER AUTHORITY

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Terms and Conditions - Text

Facility		Standard	PH000004
Revision	005	Description	INFRINGEMENT

INFRINGEMENT.

Seller shall hold harmless, defend and indemnify Buyer , its affiliates and its and their respective employees, officers and directors from and against all claims, demands, losses or damages, costs or expenses (including attorneys' fees and other expenses incident thereto) arising out of any infringement, or any alleged infringement, of any intellectual property rights, including rights arising under any patent, copyright, trademark, license and trade secret, in connection with any Material, Work Products, or Services, except to the extent any infringement resulted from designs provided by Buyer to Seller. Without limiting the foregoing, the Seller shall, at its own expense (i) procure for the Buyer an irrevocable royalty-free license or right to continue using such Materials, Work Product or Services (ii) with Buyer's prior written approval, replace the infringing Material, Work Product, or Services with substantially equal but non-infringing Materials, Work Product or Services or (iii) with Buyer's prior written authorization, modify the infringing Materials, Work Product or Services so it becomes non-infringing; provided that no such replacement or modification shall in any way amend or relieve Seller of its warranties and guarantees set forth in this Order.



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Terms and Conditions - Text

Facility		Standard	PH000006
Revision	016	Description	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE

CLÁUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDERALES
EN CUMPLIMIENTO CON LA SECCIÓN 2906 DEL ARTÍCULO 2, DEL CÓDIGO DE RENTAS
INTERNAS DE PUERTO RICO, LA AUTORIDAD DE ENERGÍA ELÉCTRICA ESTÁ EXENTA DEL
PAGO DEL ARBITRIO GENERAL DEL 6.6%. ADEMÁS, A PARTIR DEL 15 DE NOVIEMBRE
DE 2006, ESTÁ EXENTA DEL PAGO DEL IMPUESTO A LA VENTA Y USOS (IVU) ESTATAL
Y MUNICIPAL POR VIRTUD DE LA SECCIÓN 2508 DE LA LEY 117 DEL 4 DE JULIO DE
2006, CONOCIDA COMO LA LEY DE JUSTICIA CONTRIBUTIVA.

* LAS FACTURAS TIENEN QUE DETALLAR EL CONCEPTO DE LA COMPRA O SERVICIO.

LOCAL AND FEDERAL TAXES CLAUSE

IN COMPLIANCE WITH PUERTO RICO'S INTERNAL REVENUE SERVICE CODE, SECTION
2906, ARTICLE 2, PUERTO RICO ELECTRIC POWER AUTHORITY IS EXEMPT OF 6.6%
TAX PAYMENT, ALSO, STARTING ON NOVEMBER 15TH, 2006; AND IN ACCORDANCE TO
LAW 117 OF 4TH OF JULY OF 2006, KNOWN AS "LEY DE JUSTICIA CONTRIBUTIVA";
PREPA IS EXEMPT OF "IVU (IMPUESTO A LA VENTA Y USOS ESTATAL Y MUNICIPAL)"
TAX PAYMENT.

INVOICES SHALL INCLUDE ALL DETAILS RELATED TO GOOD OR SERVICE PURCHASED.

Facility		Standard	PH000007
Revision	004	Description	APPLICABLE LAW

APPLICABLE LAW.



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Terms and Conditions - Text

Facility	Standard	PH000007
Revision 004	Description	APPLICABLE LAW

This Order will be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico without regard to its principles regarding conflicts of laws. Exclusive jurisdiction and venue for any action arising hereunder will be in Puerto Rico, whether in Federal or Commonwealth Court.

Facility	Standard	PH000011
Revision 006	Description	CHANGES TO ORDER.

CHANGES TO ORDER.

No modifications, changes or substitutions of Materials, Services or Work Product or extra charges of any kind or change in or cancellation of or waiver of or exception to any of the terms or conditions of this Order will be recognized unless authorized by Buyer in writing. Buyer may direct, in writing, changes, including additions to or deletions from the quantities of Materials, Work Product or Services originally ordered, or in the specifications or drawings. Unless otherwise agreed to by the parties, if any such change causes an increase or decrease in the cost of, or the time required for performance hereunder, an equitable adjustment shall be made in the price and/or delivery schedule. Any claims for adjustment shall be asserted by Seller no later than thirty (30) days from the date of Seller's receipt of notice of such change. Nothing contained herein shall excuse Seller from proceeding with a change directed by Buyer



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Terms and Conditions - Text

Facility	Standard	PH000011
Revision 006	Description	CHANGES TO ORDER.

prior to negotiation of any adjustment. Notwithstanding the foregoing, mutually agreeable adjustments for any changes under this Order may be made by a written Order revision from one party which is confirmed in writing by the other party.

Facility	Standard	PH000031
Revision 009	Description	CONFIDENTIALITY

CONFIDENTIALITY.

This Order and all plans, drawings, designs and specifications which may be supplied by Buyer to Seller shall remain the property of Buyer and any information derived there from or otherwise communicated to the Seller in connection with this Order shall be regarded by Seller as strictly confidential and shall not, without the prior written consent of Buyer, be disclosed to any third party or made use of by Seller.

Facility	Standard	PH000033
Revision 009	Description	FORCE MAJEURE

FORCE MAJEURE.

Neither party shall be in breach of the Order to the extent that any delay or default in performance is due to Force Majeure. The term "Force Majeure" will mean any cause which is not within the control of the party claiming force majeure and which, by the exercise of due diligence, such party is unable to prevent or overcome, including but not limited to,



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Terms and Conditions - Text

Facility	Standard	PH000033
Revision 009	Description	FORCE MAJEURE

flood, fire, tornado, governmental order, insurrections, riots and wars. Within seven (7) days of the commencement of an event of Force Majeure, the party affected thereby will provide the other party with written notice of the event. Any event of Force Majeure shall not affect Buyer's right of termination as set forth in TERMINATION Section hereof.

Facility	Standard	PH000037
Revision 008	Description	TERMINOS PARA RETENCION EN EL ORIGEN

INFORMACION SOBRE RETENCIÓN EN EL ORIGEN

LA AUTORIDAD RETENDRÁ EL EQUIVALENTE AL 10% DE TODO PAGO POR SERVICIOS PRESTADOS QUE SE EFECTÚE BAJO ESTE CONTRATO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIÓN 1143, SEGÚN ENMENDADA. NO OBSTANTE, SE DISPONE QUE LA RETENCIÓN A EFECTUARSE POR LA AUTORIDAD BAJO LAS DISPOSICIONES DE LA PRESENTE CLÁUSULA PODRÍA AUMENTAR A: 20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL POFESIONAL FUERA UN INDIVIDUO NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Terms and Conditions - Text

Facility		Standard	PH000037
Revision	008	Description	TERMINOS PARA RETENCION EN EL ORIGEN

SI EL DEPARTAMENTO DE HACIENDA HA EMITIDO UN CERTIFICADO DE RELEVO A FAVOR DEL PROFESIONAL, ES RESPONSABILIDAD DE ÉSTE, SOMETER COPIA DEL RELEVO A LA AUTORIDAD PARA CADA AÑO NATURAL, DE LO CONTRARIO, LOS PAGOS SEGUIRÁN SUJETOS A LA RETENCIÓN EN EL ORIGEN. TODA FACTURA DEBE DETALLARSE POR CONCEPTOS (SERVICIOS, MATERIALES, EQUIPO, ETC.) PARA IDENTIFICAR LAS PARTIDAS SUJETAS A RETENCIÓN Y EVITAR DESCUENTOS INDEBIDOS.

LA AEE PUEDE TERMINAR ESTE CONTRATO UNILATERALMENTE, EN CASO DE QUE EL CONTRATISTA NO OBSERVE CUALQUIERA DE LAS CLÁUSULAS ANTERIORES, POR CUALQUIER FALLA EN EL CUMPLIMIENTO CON CUALQUIERA DE LAS DISPOSICIONES DEL CONTRATO, INCLUYENDO ESTE ADDENDUM, MEDIANTE LA PREVIA NOTIFICACIÓN POR ESCRITO AL CONTRATISTA DENTRO DEL TÉRMINO DE TREINTA DÍAS ANTES DE COBRAR EFECTIVIDAD LA TERMINACIÓN.

Facility		Standard	PH000038
Revision	005	Description	NONWAIVER.

NONWAIVER.

No waiver by any party of any condition, or of any breach of any provision contained in this Order, in any one or more instances, will be deemed to be or construed as a further or continuing waiver of any such condition or breach or waiver of any other condition or of any breach of any other provision.



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Terms and Conditions - Text

Facility	Standard	PH000039
Revision 008	Description	PRICE & PAYMENT

PRICE & PAYMENT.

The prices specified in the Purchase Order shall include all charges and expenses in connection with the packing and shipping of the Materials to Buyer. No additional charges of any kind will be allowed unless specifically agreed to in writing in advance. Payment will be made as set forth in this Order; however payment may be withheld or portions thereof may be deducted or setoffs may be made against Seller if Seller does not perform in accordance with this Order. The time for payment of invoices and acceptance of any applicable discounts shall be based on the date when the invoice is received and stamped by PREPA's Accounts Payable, and all pertinent information is correct on the invoice.

All invoices are to be sent to the following address: Puerto Rico Electric Power Authority, Treasury Division, PO Box 70253, San Juan, PR 00936.

Facility	Standard	PH000040
Revision 007	Description	RELATIONSHIP OF THE PARTIES.

RELATIONSHIP OF THE PARTIES.

Seller is an independent contractor. This Purchase Order does not create a partnership or joint venture between Seller and Buyer. Seller is not an agent of Buyer, and Seller has no authority to act on behalf of Buyer. Except as otherwise provided in this Purchase Order, Seller will provide any and all labor, supervision, materials, and equipment necessary to



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Terms and Conditions - Text

Facility	Standard	PH000040
Revision 007	Description	RELATIONSHIP OF THE PARTIES.

provide the Materials, Services or Work Product as set forth in this Order, and Seller will obtain any and all permits and authorizations required by applicable law to provide such Materials, Services or Work Product. Seller will control the means and manner of the providing of the Materials, Services or Work Product. Seller's personnel will not be considered employees of Buyer, and Buyer will not provide Seller's personnel with wages, salaries, or benefits.

Facility	Standard	PH000056
Revision 008	Description	TAXES AND DUTIES

TAXES AND DUTIES.

Seller shall be responsible for and pay directly, all corporate and individual taxes measured by net income or profit imposed by any governmental authority on Seller, its employees or subcontractors due to the execution of any agreement or the performance of or payment for work hereunder. Unless otherwise agreed in writing or prohibited by law, the price set forth in this Order shall not include any local tax (IVU) but Seller shall pay any federal tax, US Customs fees, Shipping Surcharge fees or other tax required to be imposed on the Materials, Services or Work Product.

Important:

PREPA is a government owned company exempt for pay taxes under Section



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Terms and Conditions - Text

Facility	Standard	PH000056
Revision 008	Description	TAXES AND DUTIES

2906, Article 2 of Puerto Rico's Internal Revenue Service Code and Section 2508 of Law Number 117 of July 4, 2006 known as "Ley de Justicia Contributiva (IVU)"

Facility	Standard	PH000057
Revision 005	Description	TERMINATION

TERMINATION.

Buyer may, at its option, cancel any unfulfilled Order, in which event Buyer's only obligation shall be to pay for Materials shipped or Work Product or Services performed prior to the receipt cancellation; provided, however, that if this Order covers Materials manufactured to Buyer's specifications, upon receipt of notice of cancellation, Seller shall stop all performance except as otherwise directed by Buyer, and if Seller is not in breach of this Order, Buyer shall pay Seller's actual, direct, unavoidable and reasonable costs resulting from such termination, not to exceed the total price of the Materials, Work Product or Services stated in this Order. Upon such payment, title to any Materials or Work Product, including uncompleted Materials or Work Product, shall pass to Buyer. In the event of default by Seller in the performance of any obligation hereunder, including time of delivery, or in the event it becomes apparent that delivery cannot be accomplished within the time specified, Buyer may, at its option, cancel this Order entirely, without penalty or liability



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PUERTO RICO ELECTRIC POWER AUTHORITY

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Terms and Conditions - Text

Facility	Standard	PH000057
Revision 005	Description	TERMINATION

(except for Materials received and accepted.) All provisions necessarily requiring survival beyond any termination of this Order, including, but not limited to, those relating to audit, choice of law, confidentiality, indemnity, title and warranty shall survive any such termination.

Facility	Standard	PH000079
Revision 001	Description	QUALITY STANDARDS AND WARRANTIES 1

QUALITY STANDARDS AND WARRANTIES.

Seller warrants (i) title to the Materials or Work Product, free and clear of all liens and encumbrances and (ii) that Materials, Work Product and Services will be in exact accordance with this Order, the specifications, drawings, samples or other descriptions furnished or adopted by Buyer and will be fit and sufficient for the purpose intended, merchantable, of good material, design and workmanship, free from defect and be new and of best quality, unless otherwise specified. Such warranty shall survive delivery and shall not be deemed waived either by reason of Buyer's acceptance of the Materials, Work Product or Services or by payment for them. The Materials, Work Product or Services shall be subject to Buyer's right of inspection and rejection at any reasonable time before or during the manufacturing process or provision of Service and within forty-five (45) days after delivery to destination or completion. Materials, Work Product or Services other than those specified shall not be submitted without



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Terms and Conditions - Text

Facility	Standard	PH000079
Revision 001	Description	QUALITY STANDARDS AND WARRANTIES 1

Buyer's written authorization.

Facility	Standard	PH000080
Revision 002	Description	QUALITY STANDARDS AND WARRANTIES 2

Rejected Material and Services or Work Product may be returned or re-performed at Seller's expense. The making or failure to make any inspection, approval, payment or acceptance of the Materials, Work Product or Services shall in no way impair Buyer's right to reject or revoke acceptance of non-conforming Materials, Work Product or Services or to avail itself of any other remedies to which Buyer may be entitled, notwithstanding Buyer's knowledge, the substantiality, or the ease of discovery of any non-conformity. If any time prior to one (1) year from the date of completion of any Services, or the earlier of one (1) year from the date of installation or eighteen(18) months from receipt of any Materials or Work Product if the Materials, Work Product or Services, or any part thereof, do not conform to these warranties or the specifications, Seller shall promptly correct such nonconformity to the satisfaction of Buyer at Seller's sole expense; failing which, Buyer may proceed to make corrections or accomplish Seller's work by the most expeditious means available, and the costs of cover or correction shall be for Seller's account. Seller's liability hereunder shall extend to all damages proximately caused by the breach of any of the foregoing



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PUERTO RICO ELECTRIC POWER AUTHORITY

Contract

Terms and Conditions - Text

Facility	Standard	PH000080
Revision 002	Description	QUALITY STANDARDS AND WARRANTIES 2

warranties, including incidental damages such as removal, inspection, costs of return, warehousing and reinstallation. These warranties are in addition to, and shall not be construed as restricting or limiting any warranties of Seller, express or implied, or which are provided by law or exist by operation of law.

Facility	Standard	PH000082
Revision 002	Description	ANTI-KICKBACK

Seller represents that no unrecited consideration, kickbacks, fees, payments, gifts, entertainment, or things of value were given to or requested by any Buyer employee as an inducement to enter into or continue this Order, and that Seller further agrees to immediately report any such request, demand, or occurrence relating to any Buyer employee or this Order to: Puerto Rico Electric Power Authority, Material Management Division Head Office, P.O. Box 3670151, San Juan, Puerto Rico 00936-0151; Telephone: 787-521-3268, or 787-521-3310. Seller shall adhere to Buyer's Expected Ethical Conduct Standards as defined in PREPA's Code of Ethic or Leyes de Ética which is available at:

<http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/suministros.asp>

* * * End of Contract * * *



PURCHASE ORDER

Mail Invoice To:

AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-8253

Purchase Order : 00079447**Revision :****Release :****Printed :** 10/28/2017**Page :** 1**Please Direct Inquiries to:**

JUAN R. RIVERA-NIEVES
JRIVERA14258@AEEPR.COM
Title: PROCUREMENT SUPV G3
Phone: 787-521-1359

Vendor:

ARMANDO RODRIGUEZ
ARG PRECISION CORP
PMB 911
PO BOX 2500
TOA BAJA PR 00951

DRAFT ONLY ** STATUS PENDING ****CONFIRMING ORDER ONLY**

Payment Terms	%	Days	Net	30 Days
ERS N				
Reference Contract				

Instructions: SE CREA ESTA ORDE DE EMERGANCIA PARA EL
HURACAN MARIA # REF. MR-MY-GN-0580
PARA PIEZAS PARA UNIDAD 1 MAYAGUEZ
HIDRO GAS POWER PLANT MAYAGUEZ

SE ADJUDICA ORDEN DE ACUERDO A
NUESTRAS, ESPECIFICACIONES, TÉRMINOS Y
CONDICIONES SOLICITADAS Y ACEPTADAS
POR SU COMPAÑÍA EL DIA 10/27/17
ESTO SOLICITADO POR ING. JAIME LOPEZ
SUPERINTENDENTE HIDRO GAS MAYAGUEZ
VENDEDOR: ARMANDO RODRIGUES 787-261-8644
DESCRIPCIÓN DE PIEZAS:PROPUESTA 10272017
1) VQCT116998-6 FUSE
3 EACH A \$19,648.96 = \$58,946.89
2) VQCT117015-144 ELECTRICAL COMPOUND
1 EACH A \$330.87 = \$330.87
3) VQCT117015-3 EXCITER, RECTIFIER DIODE
3 EACH A \$2,918.61 = \$8,755.83
4) TBD BICCON COMPOUND
1 EACH A \$2,775.00 = \$2,775.00
TOTAL DE LA ORDEN \$70,808.59



PURCHASE ORDER

Mail Invoice To:

AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-8253

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Fac	Standard Name	Rev	S/P	Text	Header Terms and Conditions - Text at End
	PH000001	004	S	Y	EQUAL OPPORTUNITY
	PH000002	005	S	Y	COMPLIANCE WITH LAWS.
	PH000004	005	S	Y	INFRINGEMENT
	PH000006	016	S	Y	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000031	009	S	Y	CONFIDENTIALITY
	PH000033	009	S	Y	FORCE MAJEURE
	PH000037	007	S	Y	TERMINOS PARA RETENCION EN EL ORIGEN
	PH000038	005	S	Y	NONWAIVER.
	PH000040	007	S	Y	RELATIONSHIP OF THE PARTIES.
	PH000057	005	S	Y	TERMINATION
	PH000082	002	S	Y	ANTI-KICKBACK

Purchase Order Total Amount

TOTAL THIS PO:

AUTHORIZED SIGNATURE

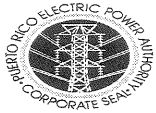

JUAN R. RIVERA NIEVES
SUPERVISOR DE COMPRAS

Fac	Standard Name	Rev	Terms and Conditions
	PH000001	004	EQUAL OPPORTUNITY
	EQUAL OPPORTUNITY.		

By accepting this Purchase Order, the Seller certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify Buyer against any claims arising from such unlawful discrimination by Seller.

PH000002	005	COMPLIANCE WITH LAWS.
COMPLIANCE WITH LAWS.		

Seller warrants that the Materials, Services or Work Product shall be performed, produced, priced, sold and delivered in strict compliance with all applicable local, domestic and international laws, rules and regulations.



PURCHASE ORDER

Mail Invoice To:

AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-8253

Purchase Order : 00079447
Revision :
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PH000004 005 INFRINGEMENT
INFRINGEMENT.

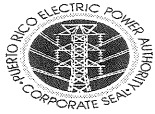
Seller shall hold harmless, defend and indemnify Buyer, its affiliates and its and their respective employees, officers and directors from and against all claims, demands, losses or damages, costs or expenses (including attorneys' fees and other expenses incident thereto) arising out of any infringement, or any alleged infringement, of any intellectual property rights, including rights arising under any patent, copyright, trademark, license and trade secret, in connection with any Material, Work Products, or Services, except to the extent any infringement resulted from designs provided by Buyer to Seller. Without limiting the foregoing, the Seller shall, at its own expense (i) procure for the Buyer an irrevocable royalty-free license or right to continue using such Materials, Work Product or Services (ii) with Buyer's prior written approval, replace the infringing Material, Work Product, or Services with substantially equal but non-infringing Materials, Work Product or Services or (iii) with Buyer's prior written authorization, modify the infringing Materials, Work Product or Services so it becomes non-infringing; provided that no such replacement or modification shall in any way amend or relieve Seller of its warranties and guarantees set forth in this Order.

PH000006 016 CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE
CLÁUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDERALES

EN CUMPLIMIENTO CON LA SECCIÓN 2906 DEL ARTÍCULO 2, DEL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO, LA AUTORIDAD DE ENERGÍA ELÉCTRICA ESTÁ EXENTA DEL PAGO DEL ARBITRIO GENERAL DEL 6.6%. ADEMÁS, A PARTIR DEL 15 DE NOVIEMBRE DE 2006, ESTÁ EXENTA DEL PAGO DEL IMPUESTO A LA VENTA Y USOS (IVU) ESTATAL Y MUNICIPAL POR VIRTUD DE LA SECCIÓN 2508 DE LA LEY 117 DEL 4 DE JULIO DE 2006, CONOCIDA COMO LA LEY DE JUSTICIA CONTRIBUTIVA.

* LAS FACTURAS TIENEN QUE DETALLAR EL CONCEPTO DE LA COMPRA O SERVICIO.

LOCAL AND FEDERAL TAXES CLAUSE



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IN COMPLIANCE WITH PUERTO RICO'S INTERNAL REVENUE SERVICE CODE, SECTION 2906, ARTICLE 2, PUERTO RICO ELECTRIC POWER AUTHORITY IS EXEMPT OF 6.6% TAX PAYMENT, ALSO, STARTING ON NOVEMBER 15TH, 2006; AND IN ACCORDANCE TO LAW 117 OF 4TH OF JULY OF 2006, KNOWN AS "LEY DE JUSTICIA CONTRIBUTIVA"; PREPA IS EXEMPT OF "IVU (IMPUESTO A LA VENTA Y USOS ESTATAL Y MUNICIPAL)" TAX PAYMENT.

INVOICES SHALL INCLUDE ALL DETAILS RELATED TO GOOD OR SERVICE PURCHASED.

PH000007 004 APPLICABLE LAW
APPLICABLE LAW.

This Order will be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico without regard to its principles regarding conflicts of laws. Exclusive jurisdiction and venue for any action arising hereunder will be in Puerto Rico, whether in Federal or Commonwealth Court.

PH000011 006 CHANGES TO ORDER.
CHANGES TO ORDER.

No modifications, changes or substitutions of Materials, Services or Work Product or extra charges of any kind or change in or cancellation of or waiver of or exception to any of the terms or conditions of this Order will be recognized unless authorized by Buyer in writing. Buyer may direct, in writing, changes, including additions to or deletions from the quantities of Materials, Work Product or Services originally ordered, or in the specifications or drawings. Unless otherwise agreed to by the parties, if any such change causes an increase or decrease in the cost of, or the time required for performance hereunder, an equitable adjustment shall be made in the price and/or delivery schedule. Any claims for adjustment shall be asserted by Seller no later than thirty (30) days from the date of Seller's receipt of notice of such change. Nothing contained herein shall excuse Seller from proceeding with a change directed by Buyer prior to negotiation of any adjustment. Notwithstanding the foregoing, mutually agreeable adjustments for any changes under this Order may be made by a written Order revision from one party which is confirmed in writing by the other party.



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PH000031 009 CONFIDENTIALITY
CONFIDENTIALITY.

This Order and all plans, drawings, designs and specifications which may be supplied by Buyer to Seller shall remain the property of Buyer and any information derived there from or otherwise communicated to the Seller in connection with this Order shall be regarded by Seller as strictly confidential and shall not, without the prior written consent of Buyer, be disclosed to any third party or made use of by Seller.

PH000033 009 FORCE MAJEURE
FORCE MAJEURE.

Neither party shall be in breach of the Order to the extent that any delay or default in performance is due to Force Majeure. The term "Force Majeure" will mean any cause which is not within the control of the party claiming force majeure and which, by the exercise of due diligence, such party is unable to prevent or overcome, including but not limited to, flood, fire, tornado, governmental order, insurrections, riots and wars. Within seven (7) days of the commencement of an event of Force Majeure, the party affected thereby will provide the other party with written notice of the event. Any event of Force Majeure shall not affect Buyer's right of termination as set forth in TERMINATION Section hereof.

PH000037 007 TERMINOS PARA RETENCION EN EL ORIGEN
INFORMACION SOBRE RETENCIÓN EN EL ORIGEN

LA AUTORIDAD RETENDRÁ EL EQUIVALENTE AL 7% DE TODO PAGO POR SERVICIOS PRESTADOS QUE SE EFECTÚE BAJO ESTE CONTRATO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIÓN 1143, SEGÚN ENMENDADA. NO OBSTANTE, SE DISPONE QUE LA RETENCIÓN A EFECTUARSE POR LA AUTORIDAD BAJO LAS DISPOSICIONES DE LA PRESENTE CLÁUSULA PODRÍA AUMENTAR A:

20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL POFESIONAL FUERA UN INDIVIDUO NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD



PURCHASE ORDER

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EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.

SI EL DEPARTAMENTO DE HACIENDA HA EMITIDO UN CERTIFICADO DE RELEVO A FAVOR DEL PROFESIONAL, ES RESPONSABILIDAD DE ÉSTE, SOMETER COPIA DEL RELEVO A LA AUTORIDAD PARA CADA AÑO NATURAL, DE LO CONTRARIO, LOS PAGOS SEGUIRÁN SUJETOS A LA RETENCIÓN EN EL ORIGEN. TODA FACTURA DEBE DETALLARSE POR CONCEPTOS (SERVICIOS, MATERIALES, EQUIPO, ETC.) PARA IDENTIFICAR LAS PARTIDAS SUJETAS A RETENCIÓN Y EVITAR DESCUENTOS INDEBIDOS.

LA AEE PUEDE TERMINAR ESTE CONTRATO UNILATERALMENTE, EN CASO DE QUE EL CONTRATISTA NO OBSERVE CUALQUIERA DE LAS CLÁUSULAS ANTERIORES, POR CUALQUIER FALLA EN EL CUMPLIMIENTO CON CUALQUIERA DE LAS DISPOSICIONES DEL CONTRATO, INCLUYENDO ESTE ADDENDUM, MEDIANTE LA PREVIA NOTIFICACIÓN POR ESCRITO AL CONTRATISTA DENTRO DEL TÉRMINO DE TREINTA DÍAS ANTES DE COBRAR EFECTIVIDAD LA TERMINACIÓN.

PH000038 005 NONWAIVER.
NONWAIVER.

No waiver by any party of any condition, or of any breach of any provision contained in this Order, in any one or more instances, will be deemed to be or construed as a further or continuing waiver of any such condition or breach or waiver of any other condition or of any breach of any other provision.

PH000040 007 RELATIONSHIP OF THE PARTIES.
RELATIONSHIP OF THE PARTIES.

Seller is an independent contractor. This Purchase Order does not create a partnership or joint venture between Seller and Buyer. Seller is not an agent of Buyer, and Seller has no authority to act on behalf of Buyer. Except as otherwise provided in this Purchase Order, Seller will provide any and all labor, supervision, materials, and equipment necessary to provide the Materials, Services or Work Product as set forth in this Order, and Seller will obtain any and all permits and authorizations required by applicable law to provide such Materials, Services or Work Product. Seller will control the means and manner of the providing of the Materials, Services or Work



PURCHASE ORDER

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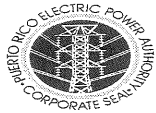
Product. Seller's personnel will not be considered employees of Buyer, and Buyer will not provide Seller's personnel with wages, salaries, or benefits.

PH000057 005 TERMINATION
TERMINATION.

Buyer may, at its option, cancel any unfulfilled Order, in which event Buyer's only obligation shall be to pay for Materials shipped or Work Product or Services performed prior to the receipt cancellation; provided, however, that if this Order covers Materials manufactured to Buyer's specifications, upon receipt of notice of cancellation, Seller shall stop all performance except as otherwise directed by Buyer, and if Seller is not in breach of this Order, Buyer shall pay Seller's actual, direct, unavoidable and reasonable costs resulting from such termination, not to exceed the total price of the Materials, Work Product or Services stated in this Order. Upon such payment, title to any Materials or Work Product, including uncompleted Materials or Work Product, shall pass to Buyer. In the event of default by Seller in the performance of any obligation hereunder, including time of delivery, or in the event it becomes apparent that delivery cannot be accomplished within the time specified, Buyer may, at its option, cancel this Order entirely, without penalty or liability (except for Materials received and accepted.) All provisions necessarily requiring survival beyond any termination of this Order, including, but not limited to, those relating to audit, choice of law, confidentiality, indemnity, title and warranty shall survive any such termination.

PH000082 002 ANTI-KICKBACK

Seller represents that no unrecited consideration, kickbacks, fees, payments, gifts, entertainment, or things of value were given to or requested by any Buyer employee as an inducement to enter into or continue this Order, and that Seller further agrees to immediately report any such request, demand, or occurrence relating to any Buyer employee or this Order to: Puerto Rico Electric Power Authority, Material Management Division Head Office, P.O. Box 3670151, San Juan, Puerto Rico 00936-0151; Telephone: 787-521-3268, or 787-521-3310. Seller shall adhere to Buyer's Expected Ethical Conduct Standards as defined in PREPA's Code of Ethic or Leyes de Ética which is available at:



PURCHASE ORDER

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[http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/suministros.
asp](http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/suministros.asp)

End of Purchase Order



PURCHASE ORDER

REVISION

Mail Invoice To:

AUTORIDAD DE ENERGIA ELECTRICA
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P.O. BOX 70253
SAN JUAN PR 00936-8253

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Please Direct Inquiries to:

FELIX MARTINEZ-MENDEZ
FMARTINEZ5895@AEEPR.COM

Title: BUYER

Phone: 787-521-3313

Fax : 787-521-3280

Vendor:

ING. ARMANDO RODRIGUEZ
ARG PRECISION CORP
PMB 911
PO BOX 2500
TOA BAJA PR 00951

Payment Terms	%	Days	Net	30 Days	Transit Type
ERS N	Reference Contract				Carrier Name
	FOB	F.O.B.	JOBSITE		FOB Point
					ALM 061 MAYAGUEZ

Primary Ship To: ALMACEN MAYAGUEZ
CARRETERA NUM. 2, KM. 149
BO SABANETA CUBA
MAYAGUEZ PR 00680

Instructions: ***** ORDEN DE COMPRA MATERIALES *****
SE ADJUDICA ESTA ORDEN DE ACUERDO A LAS
ESPECIFICACIONES, TERMINOS Y CONDICIONES
INCLUIDOS EN NUESTRA SOLICITUD DE PRECIO
50038 D FECHA 27 D NOVIEMBRE D 2017 Y
SU OFERTA D FECHA 27 D NOVIEMBRE D 2017

MATERIALE PARA REABASTECER EL INVENTARIO
DEL ALMACEN 061 DE MAYAGUEZ
ENTREGA REQUERIDA: 15 DIAS CALENDARIOS
ATENCION: SUPVR. HERNAN MACHADO
TEL. 787-521-8979
INSTRUCCIONES ESPECIALES AL
SUPLIDOR:
1. HORARIO DE ENTREGA: LUNES A VIERNES
DE 7:30AM A 11:00AM Y 12:30PM A 3:00 PM
2. TAMAÑO DE LA PALETA: NO MÁS DE 48"
ALTO X 48" ANCHO X 48" LARGO.
3. TODO BULTO TIENE QUE VENIR CON UNA
ETIQUETA CUYO TAMAÑO SEA NO MENOR DE



PURCHASE ORDER

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6'' X 10''. SI LAS ETIQUETAS SON PARA
CABLES, TIENEN QUE SER A PRUEBA DE AGUA.

4. LAS MISMAS DEBEN DE TENER IMPRESO EL
NÚMERO DE LA ORDEN, EL NÚMERO DEL
CÓDIGO, UNA PEQUEÑA DESCRIPCIÓN DEL
MATERIAL Y LA CANTIDAD (AE, FT, BX,
ETC.

) CON TAMAÑO DE LETRA NO MENOR DE 1''.

5. NO SE ACEPTARÁ MERCANÍA A GRANEL.

6. AUNQUE SE LE NOTIFIQUE AL SUPLIDOR
QUE LA MERCANCÍA SE NECESITA URGENTE,
ÉSTA DEBE DE CUMPLIR CON TODAS LAS
ESPECIFICACIONES E INSTRUCCIONES
ESTIPULADAS POR LA AEE.

7. DE NO CUMPLIR CON LAS MISMAS, EL
MATERIAL SERÁ RECHAZADO.

SUPERVISOR DE COMPRAS PRINCIPAL
FELIX MARTINEZ MENDEZ

TEL. 787-521-3313, EMAIL
FELIX.MARTINEZ@PREPA.COM

Fac	Standard Name	Rev	S/P	Text	Header Terms and Conditions - Text at End
	PH000001	004	S	Y	EQUAL OPPORTUNITY
	PH000003	001	S	Y	PACKAGING, SHIPPING AND INVOICING INSTRUCTIONS
	PH000007	004	S	Y	APPLICABLE LAW
	PH000032	009	S	Y	DELIVERY
	PH000039	008	S	Y	PRICE & PAYMENT
	PH000056	008	S	Y	TAXES AND DUTIES
	PH000079	001	S	Y	QUALITY STANDARDS AND WARRANTIES 1

Line	Quantity	UP	Item Description	Unit Price	Extension
0001	1	EA	Catalog ID: 0000059565 0	\$12,079.000000	\$12,079.00

NON-TAX

Bid Reference: PW CAT. 118572-1

Schedule:	Quantity	1	Delivery Date	12/13/2017
	Transit Type		Carrier Name	
	FOB	F.O.B. JOBSITE	FOB Point	ALM 061 MAYAGUEZ

Description: CONTROL, UNQUALIFIED, 133-03186,



PURCHASE ORDER

REVISION

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CONTROL, VARIABLE FREQUENCY CONTROL,
VARIABLE FREQUENCY CONTROL ,WATER
PUMPP\ N CT117484-4 FOR GAS GENERATOR
CONTROL, VARIABLE FREQUENCY
CONTROL,VARIABLE FREQUENCY CONTROL
,WATER PUMPP\ N CT117484-4 FOR GAS
GENERATOR AERODERIVATIVES TURBINE FT 8
PRATTS & WHITNEY.
STKNO: 133-03186

Vendor : ARG PRECISION CORP
Model :
Part : DEFAULT 00000595650 001

Line	Quantity	UP	Item Description	Unit Price	Extension
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0002		EA	Catalog ID: 0000060484 0		
------	--	----	--------------------------	--	--

CANCELED

NON-TAX

Bid Reference: PW CAT. 118572-1

Description: CARTRIDGE, FILTER, 133-00158, CARTRIDGE
ASSY FILTER P/N CT 116938-1, GG FUEL
OIL PUMP FOR LIQUID FUE

Purchase Order Total Amount

PO Previous Total : \$12,079.00

TOTAL THIS PO: \$12,079.00

AUTHORIZED SIGNATURE


FELIX MARTINEZ MENDEZ
11/29/2017

Fac	Standard Name	Rev	Terms and Conditions
PH000001	004	EQUAL OPPORTUNITY	EQUAL OPPORTUNITY.

By accepting this Purchase Order, the Seller certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify Buyer against any claims arising



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from such unlawful discrimination by Seller.

PH000003 001 PACKAGING, SHIPPING AND INVOICING INSTRUCTIONS
PACKAGING, SHIPPING AND INVOICING INSTRUCTIONS

1. Receiving Documentation must be included with all Purchase Order deliverables.
2. All Receiving Documentation and shipping notices must include reference to the Purchase Order number and any applicable item number(s).
3. Each invoice must include the Purchase Order number and any applicable item number, receipted expense bill, and description shown on this Purchase Order. Delays in receiving invoices and errors or omissions on invoices shall be just cause for Buyer's withholding of payment, without loss of cash discount privilege.

PH000007 004 APPLICABLE LAW
APPLICABLE LAW.

This Order will be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico without regard to its principles regarding conflicts of laws. Exclusive jurisdiction and venue for any action arising hereunder will be in Puerto Rico, whether in Federal or Commonwealth Court.

PH000032 009 DELIVERY
DELIVERY.

Seller agrees to provide for delivery of the Materials, Work Product or Services on the date(s) and to the address set forth in the Order. Seller shall bear all costs of shipping, transportation and packing unless otherwise provided in this Order. On all Materials delivered in error, or in excess of the quantity shown on Order, Buyer reserves the right to return the Materials at Seller's expense. Buyer's count shall be final and conclusive on any shipment not accompanied by the packing slip.

PH000039 008 PRICE & PAYMENT
PRICE & PAYMENT.



PURCHASE ORDER

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The prices specified in the Purchase Order shall include all charges and expenses in connection with the packing and shipping of the Materials to Buyer. No additional charges of any kind will be allowed unless specifically agreed to in writing in advance. Payment will be made as set forth in this Order; however payment may be withheld or portions thereof may be deducted or setoffs may be made against Seller if Seller does not perform in accordance with this Order. The time for payment of invoices and acceptance of any applicable discounts shall be based on the date when the invoice is received and stamped by PREPA's Accounts Payable, and all pertinent information is correct on the invoice.

All invoices are to be sent to the following address: Puerto Rico Electric Power Authority, Treasury Division, PO Box 70253, San Juan, PR 00936.

PH000056 008 TAXES AND DUTIES
TAXES AND DUTIES.

Seller shall be responsible for and pay directly, all corporate and individual taxes measured by net income or profit imposed by any governmental authority on Seller, its employees or subcontractors due to the execution of any agreement or the performance of or payment for work hereunder. Unless otherwise agreed in writing or prohibited by law, the price set forth in this Order shall not include any local tax (IVU) but Seller shall pay any federal tax, US Customs fees, Shipping Surcharge fees or other tax required to be imposed on the Materials, Services or Work Product.

Important:

PREPA is a government owned company exempt for pay taxes under Section 2906, Article 2 of Puerto Rico's Internal Revenue Service Code and Section 2508 of Law Number 117 of July 4, 2006 known as "Ley de Justicia Contributiva (IVU)"

PH000079 001 QUALITY STANDARDS AND WARRANTIES 1
QUALITY STANDARDS AND WARRANTIES.

Seller warrants (i) title to the Materials or Work Product, free and clear of all liens and encumbrances and (ii) that Materials, Work



PURCHASE ORDER

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Product and Services will be in exact accordance with this Order, the specifications, drawings, samples or other descriptions furnished or adopted by Buyer and will be fit and sufficient for the purpose intended, merchantable, of good material, design and workmanship, free from defect and be new and of best quality, unless otherwise specified. Such warranty shall survive delivery and shall not be deemed waived either by reason of Buyer's acceptance of the Materials, Work Product or Services or by payment for them. The Materials, Work Product or Services shall be subject to Buyer's right of inspection and rejection at any reasonable time before or during the manufacturing process or provision of Service and within forty-five (45) days after delivery to destination or completion. Materials, Work Product or Services other than those specified shall not be submitted without Buyer's written authorization.

End of Purchase Order



PURCHASE ORDER

Mail Invoice To:

AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-8253

Purchase Order : 00081632**Revision :****Release :****Printed :** 08/29/2018**Page :** 1**Please Direct Inquiries to:**

FELIX MARTINEZ-MENDEZ
FMARTINEZ5895@AEEPR.COM

Title: BUYER**Phone:** 787-521-3313**Fax :** 787-521-3280**Vendor:**

ING. RAUL O MCCLIN
ENVIRECS LLC
PARQUE VILLA CAPARRA
ZUANIA 18
GUAYNABO PR 00966

Payment Terms	%	Days	Net	30 Days	Transit Type
ERS N					Carrier Name
	Reference Contract				
		FOB	F.O.B.	JOBSITE	FOB Point PLANTA MAYAGUEZ

Primary Ship To: PREPA
PREPA
PREPA

Instructions: ***** ORDEN DE COMPRA DIRECTA *****

USUARIO SOMETIO ESCRITO DE JUSTIFICACION
Y PROPUESTA POR LA RUTA DE UNICO
SUPLIDOR QUE CUMPLE CON LA NORMA
DE APROBACION DE DOCUMENTOS POR LOS
OFICIALES DE LA AUTORIDAD.

COMPRA DE MEMBRANAS Y PARTES ASOCIADAS
PARA LA OPERACION PLANTA DEMI MAYAGUEZ
ENTREGA REQUERIDA: 4 A 6 SEMANAS
ATENCION: SUPVRA. LORENA TORRES
TELEFONO: 787-521-6274

SUPERVISOR DE COMPRAS PRINCIPAL
FELIX MARTINEZ MENDEZ
TEL. 787-521-3313, EMAIL
FELIX.MARTINEZ@PREPA.COM

Fac	Standard Name	Rev	S/P	Text	Header Terms and Conditions	- Text at End
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	PH000003	001	S	Y	PACKAGING, SHIPPING AND INVOICING INSTRUCTIONS	



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Fac	Standard Name	Rev S/P Text	Header Terms and Conditions	- Text at End
	PH000007	004 S Y	APPLICABLE LAW	
	PH000032	009 S Y	DELIVERY	
	PH000039	008 S Y	PRICE & PAYMENT	
	PH000056	008 S Y	TAXES AND DUTIES	
	PH000079	001 S Y	QUALITY STANDARDS AND WARRANTIES 1	

Line	Quantity	UP	Item Description	Unit Price	Extension
0001	90	EA	Catalog ID: 0000077444 0	\$820.000000	\$73,800.00
NON-TAX					

Schedule: Quantity 90 Delivery Date 09/03/2018

Description: CELL, SAMPLE, TM820V-400, AVANTECH
TORAY MEMBRANES
AVANTECH TORAY MEMBRANES
TM820V-400
STKNO: TM820V-400
CAPACITY:
MFR DRW NO.:
NO SE ACEPTA SUSTITUTO

Line	Quantity	UP	Item Description	Unit Price	Extension
0002	600	EA	Catalog ID: 0000077445 0	\$1.500000	\$900.00
NON-TAX					

Schedule: Quantity 600 Delivery Date 09/03/2018

Description: O-RING, UNQUALIFIED, 77445, AVANTECH
TORAY MEMBRANES O-RING
AVANTECH TORAY O-RING
FOR MEMBRANES TM820V-400
STKNO: 77445
DASH NO.:
NO SE ACEPTA SUSTITUTO

Line	Quantity	UP	Item Description	Unit Price	Extension
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PURCHASE ORDER

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AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-8253

Purchase Order : 00081632
Revision :
Release :
Printed : 08/29/2018
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0003 10 EA Catalog ID: 0000077446 0 \$15.000000 \$150.00
NON-TAX

Schedule: Quantity 10 Delivery Date 09/03/2018

Description: CONNECTOR, PVC, TM820V-400, AVANTECH
TORAY MEMBRANES CONNECTOR
AVANTECH TORAY CONNECTOR
FOR MEMBRANES TM820V-400
STKNO: TM820V-400
SIZE:
NO SE ACEPTA SUSTITUTO

Line	Quantity	UP	Item Description	Unit Price	Extension
0004	60	EA	Catalog ID: 0000079785 0	\$2.750000	\$165.00
NON-TAX					

Schedule: Quantity 60 Delivery Date 09/03/2018

Description: O-RING, UNQUALIFIED, 79785, AVANTECH
TORAY MEMBRANES O-RING VESSEL END CAP
PERMEATE PORT
AVANTECH TORAY O-RING
FOR CAP 80S45
NO ES IGUAL AL CAT ID 77445
STKNO: 79785
DASH NO.:

Line	Quantity	UP	Item Description	Unit Price	Extension
0005	10	EA	Catalog ID: 0000079786 0	\$516.000000	\$5,160.00
NON-TAX					

Schedule: Quantity 10 Delivery Date 09/03/2018

Description: CELL, SAMPLE, 79786, AVANTECH TORAY
VESSEL ASSEMBLY CAP 80S45
AVANTECH TORAY
VESSEL ASSEMBLY CAP 80S45
STKNO: 79786



PURCHASE ORDER

Mail Invoice To:

AUTORIDAD DE ENERGIA ELECTRICA
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P.O. BOX 70253
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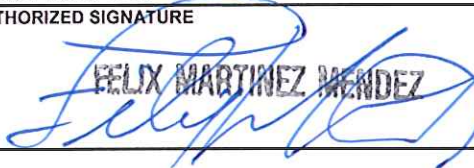
CAPACITY:

MFR DRW NO.:

Purchase Order Total Amount**TOTAL THIS PO:**

\$80,175.00

AUTHORIZED SIGNATURE


FELIX MARTINEZ MENDEZ 08/29/2018

Fac	Standard Name	Rev	Terms and Conditions
	PH000001	004	EQUAL OPPORTUNITY EQUAL OPPORTUNITY.

By accepting this Purchase Order, the Seller certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify Buyer against any claims arising from such unlawful discrimination by Seller.

PH000003 001 PACKAGING, SHIPPING AND INVOICING INSTRUCTIONS
PACKAGING, SHIPPING AND INVOICING INSTRUCTIONS

1. Receiving Documentation must be included with all Purchase Order deliverables.

2. All Receiving Documentation and shipping notices must include reference to the Purchase Order number and any applicable item number(s).

3. Each invoice must include the Purchase Order number and any applicable item number, receipted expense bill, and description shown on this Purchase Order. Delays in receiving invoices and errors or omissions on invoices shall be just cause for Buyer's withholding of payment, without loss of cash discount privilege.

PH000007 004 APPLICABLE LAW
APPLICABLE LAW.

This Order will be governed by and construed in accordance with the



PURCHASE ORDER

Mail Invoice To:

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DIVISION DE TESORERIA
P.O. BOX 70253
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Purchase Order : 00081632
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laws of the Commonwealth of Puerto Rico without regard to its principles regarding conflicts of laws. Exclusive jurisdiction and venue for any action arising hereunder will be in Puerto Rico, whether in Federal or Commonwealth Court.

PH000032 009 DELIVERY
DELIVERY.

Seller agrees to provide for delivery of the Materials, Work Product or Services on the date(s) and to the address set forth in the Order. Seller shall bear all costs of shipping, transportation and packing unless otherwise provided in this Order. On all Materials delivered in error, or in excess of the quantity shown on Order, Buyer reserves the right to return the Materials at Seller's expense. Buyer's count shall be final and conclusive on any shipment not accompanied by the packing slip.

PH000039 008 PRICE & PAYMENT
PRICE & PAYMENT.

The prices specified in the Purchase Order shall include all charges and expenses in connection with the packing and shipping of the Materials to Buyer. No additional charges of any kind will be allowed unless specifically agreed to in writing in advance. Payment will be made as set forth in this Order; however payment may be withheld or portions thereof may be deducted or setoffs may be made against Seller if Seller does not perform in accordance with this Order. The time for payment of invoices and acceptance of any applicable discounts shall be based on the date when the invoice is received and stamped by PREPA's Accounts Payable, and all pertinent information is correct on the invoice.

All invoices are to be sent to the following address: Puerto Rico Electric Power Authority, Treasury Division, PO Box 70253, San Juan, PR 00936.

PH000056 008 TAXES AND DUTIES
TAXES AND DUTIES.

Seller shall be responsible for and pay directly, all corporate and individual taxes measured by net income or profit imposed by any governmental authority on Seller, its employees or subcontractors due



PURCHASE ORDER

Mail Invoice To:

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DIVISION DE TESORERIA
P.O. BOX 70253
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to the execution of any agreement or the performance of or payment for work hereunder. Unless otherwise agreed in writing or prohibited by law, the price set forth in this Order shall not include any local tax (IVU) but Seller shall pay any federal tax, US Customs fees, Shipping Surcharge fees or other tax required to be imposed on the Materials, Services or Work Product.

Important:

PREPA is a government owned company exempt for pay taxes under Section 2906, Article 2 of Puerto Rico's Internal Revenue Service Code and Section 2508 of Law Number 117 of July 4, 2006 known as "Ley de Justicia Contributiva (IVU)"

PH000079 001 QUALITY STANDARDS AND WARRANTIES 1
QUALITY STANDARDS AND WARRANTIES.

Seller warrants (i) title to the Materials or Work Product, free and clear of all liens and encumbrances and (ii) that Materials, Work Product and Services will be in exact accordance with this Order, the specifications, drawings, samples or other descriptions furnished or adopted by Buyer and will be fit and sufficient for the purpose intended, merchantable, of good material, design and workmanship, free from defect and be new and of best quality, unless otherwise specified. Such warranty shall survive delivery and shall not be deemed waived either by reason of Buyer's acceptance of the Materials, Work Product or Services or by payment for them. The Materials, Work Product or Services shall be subject to Buyer's right of inspection and rejection at any reasonable time before or during the manufacturing process or provision of Service and within forty-five (45) days after delivery to destination or completion. Materials, Work Product or Services other than those specified shall not be submitted without Buyer's written authorization.

End of Purchase Order



Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00082790

Release :

Executed: 02/14/2019

Printed : 02/14/2019

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Mail Invoice To:

Vendor:

AUTORIDAD DE ENERGIA ELECTRICA
DIVISION DE TESORERIA
P.O. BOX 70253
SAN JUAN PR 00936-8253

LORCK CONTRACTORS CORP
VILLAS DE PARANA
CALLE 8S8 17
SAN JUAN PR 00926

Please Direct Inquiries to:
MARIO MIRANDA-SANCHEZ
M-MIRANDA-DSAD@PREPA.COM
Title: PROCUREMENT SUPV
Phone: 787-521-3301
Fax : 787-521-3298

Ext:

Work Location:
ING SUPV IV HIDRO GAS Y CC
CARR. NUM. 3341 (ANTIGUA AVE M
FRENTE AUTORIDAD DE LOS PUERTO
MAYAGUEZ PR 00680

Title: REPARACION DE VERJA DEL TANQUE DE COMBUSTIBLE 1 EN HMA

Total Value : \$34,500.00 USD
Pricing Method: FIXED

** NOT TO EXCEED **

Contract Type : SERVICES
Project :

Start Date: 02/28/2019
End Date :

Vendor Authorized Signature

Printed Name/Title

Date Signed

Phone

MARIO MIRANDA-SANCHEZ
Supervisor Authorized Signature

Printed Name/Title

2-14-2019

Date Signed

787-521-3301

Phone

Terms and Conditions - Text at End

Fac	Standard	Rev S/P Text	Title
	PH000001	004 S Y	EQUAL OPPORTUNITY
	PH000003	001 S Y	PACKAGING, SHIPPING AND INVOICING INSTRUCTIONS



Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00082790
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Executed: 02/14/2019
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Terms and Conditions - Text at End

Fac	Standard	Rev	S/P	Text	Title
	PH000007	004	S	Y	APPLICABLE LAW
	PH000032	009	S	Y	DELIVERY
	PH000039	008	S	Y	PRICE & PAYMENT
	PH000056	008	S	Y	TAXES AND DUTIES
	PH000079	001	S	Y	QUALITY STANDARDS AND WARRANTIES 1

Scope of Work

ORDEN NUMERO 82790

SE ADJUDICA ESTA ORDEN DE ACUERDO A NUESTRAS

ESPECIFICACIONES, TERMINOS, CONDICIONES Y SU COTIZACION NUMERO RFP 2036.

LUGAR HIDRO GAS MAYAGUEZ

ATT. TANIA DOMINGUEZ TEL. 787-521-0963 / CEL. 787-397-9870

RE: SERVICIO DE REPARACIÓN DE VERJA EN CYCLONE FENCE DE APROXIMADAMENTE 100 PIES DE LARGO POR 10 PIES DE ALTO. TIENE QUE INCLUIR SUPERVICION Y MANO DE OBRA PARA LA REMOCION, DISPOSICION ADECUADA E INTALACIÓN DE LA NUEVA VERJA. ADEMAS, TIENE QUE INCLUIR LA COMPRA DE LOS MATERIALES COMO: EL CYCLONE FENCE, 6 TUBOS DE 2 PULGADAS DE DIAMETRO X 10 PIES DE ALTO, 6 TUBOS DE LA PARTE SUPERIOR DE LA VERJA, 6 UNIONES, 10 CAP DE TUBOS DE 6 PULGADAS, VARILLAS DE ENSAMBLAJE, ALAMBRE, ARENA, PIEDRA DE CONSTRUCCIÓN , CONCRETO, ETC.

Terms and Conditions - Text

PH000001 004 EQUAL OPPORTUNITY
EQUAL OPPORTUNITY.

By accepting this Purchase Order, the Seller certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify Buyer against any claims arising from such unlawful discrimination by Seller.

PH000003 001 PACKAGING, SHIPPING AND INVOICING INSTRUCTIONS
PACKAGING, SHIPPING AND INVOICING INSTRUCTIONS

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Contract



PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00082790
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Executed: 02/14/2019
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Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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Page : 4

PH000056 008 TAXES AND DUTIES
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PH000079 001 QUALITY STANDARDS AND WARRANTIES 1
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* * * End of Contract * * *