

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

NEPR Received: Jun 18, 2022 8:18 AM
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IN RE:

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 Submitting Four FEMA
Approvals of Project and Request for Confidential
Treatment**

**MOTION SUBMITTING FOUR FEMA APPROVALS OF PROJECT AND
REQUEST FOR CONFIDENTIAL TREATMENT**

TO THE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC¹, and LUMA Energy ServCo, LLC², (jointly referred to as "LUMA"), through the undersigned legal counsel and respectfully submit the following:

1. On March 26, 2021, this Honorable Puerto Rico Energy Bureau ("Energy Bureau") issued a Resolution and Order in the instant proceeding, ordering, in pertinent part, that the Puerto Rico Electric Power Authority ("PREPA") submit to the Energy Bureau the specific projects to be funded with Federal Emergency Management Agency ("FEMA") funds or any other federal funds at least thirty (30) calendar days prior to submitting these projects to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency ("COR-3"), FEMA or any other federal agency ("March 26th Order"). It also directed PREPA to continue reporting to the Energy Bureau and FEMA within the next five years, the progress of all ongoing efforts related to the approval of the submitted projects not yet approved by the Energy Bureau. This Energy Bureau thereafter

¹ Register No. 439372.

² Register No. 439373.

determined this directive applied to PREPA and LUMA. *See* Resolution and Order of August 20, 2021.

2. On April 14, 2021, PREPA filed a *Motion in Compliance with the Resolution and Order Entered on March 26, 2021*, which included a list of projects under the categories of transmission, distribution, and substations. PREPA submitted the list of projects to the Energy Bureau at least thirty (30) calendar days before their submittal to COR-3 and/or FEMA, aligning with the March 26th Order. The list of projects submitted by PREPA included “FAASt-Substation 2501 Vieques (Substation)” and the “FAASt-Substation 3801 Culebra (Substation)”.

3. Then, on April 22, 2021, the Energy Bureau issued a Resolution and Order (“April 22nd Order”). It determined that additional information was required to thoroughly evaluate the projects submitted by PREPA and evaluate its compliance with the March 26th Order. The Energy Bureau ordered PREPA to provide detailed information: (i) on or before April 28, 2021, for each project already submitted to COR-3 and/or FEMA; and (ii) on or before May 21, 2021, for each project in that will be submitted to COR-3 and/or FEMA under the different project categories. It also ordered PREPA to include a list of all the substations to be relocated to mitigate possible future flooding damages.

4. In compliance with the April 22nd Order, on April 28, 2021, PREPA filed a *Motion in Compliance with the Resolution and Order entered on April 22, 2021*. PREPA submitted the Scopes of Work (“SOW”) provided to COR-3 and FEMA in compliance with the April 22nd Order. Among the SOWs submitted to this Energy Bureau were the “FAASt-Substation 2501 Vieques (Substation)” and the “FAASt-Substation 3801 Culebra (Substation)” T&D Projects, which

encompasses repairs in the Vieques and Culebra substations and associated distribution feeders to modernize and harden them.

5. On June 8, 2021, the Energy Bureau entered a Resolution and Order in which it determined that the majority of the SOWs for T&D projects submitted by PREPA were necessary to improve the system's reliability ("June 8th Order"). Therefore, it approved the majority of the projects presented in the April 28th Submission, including the "FAASt-Substation 2501 Vieques (Substation)" and the "FAASt-Substation 3801 Culebra (Substation)" T&D Projects SOWs. Further, the Energy Bureau ordered PREPA to submit a copy of the approval by COR3 and/or FEMA of the projects, which shall contain the costs obligated for each project within ten (10) days of receiving such approval.

6. Thereafter, on July 8, 2021, LUMA filed a *Motion Submitting List of Projects and Twenty-Eight Scopes of Work* ("July 8th Motion"). In the July 8th Motion, LUMA submitted twenty-eight (28) SOWs for T&D Projects for the Energy Bureau's review and approval prior to submitting them to COR-3 and FEMA. The SOWs submitted by LUMA included the "FAASt [Distribution Feeders - Caguas Short Term Group 8] (Distribution)" T&D Project.

7. On August 20, 2021, the Energy Bureau issued a Resolution and Order. It determined that the majority of the SOWs for T&D projects submitted by LUMA were necessary to improve the system's reliability ("August 20th Order"). Therefore, it approved most of the projects presented in the July 8th Motion, including the "FAASt [Distribution Feeders - Caguas Short Term Group 8] (Distribution)" T&D Project SOW. The Energy Bureau also ordered LUMA to submit a copy of the approval by COR3 and/or FEMA of the projects, which shall contain the costs obligated for each project within ten (10) days of receiving such approval.

8. The individual initial SOWs submitted by PREPA and LUMA for the transmission, distribution, and substation projects to the Energy Bureau contemplated the cost of equipment and materials necessary to fulfill them. However, during the submission process before FEMA, the federal agency and LUMA decided it was more efficient to group the equipment and materials that will take longer to procure for the submitted transmission, distribution, and substation projects in one FEMA Accelerated Awards Strategy (“FAASt”) project, instead of including these items in each project. Thus, on June 9, 2022, FEMA notified the “FAASt [Equipment and Materials]” project, which approved funds for damaged equipment and components throughout facilities covered under the FAASt project.

9. In compliance with the June 8th and August 20th Orders, LUMA hereby submits a copy of approval by FEMA of the “FAASt-Substation 2501 Vieques (Substation), FAASt-Substation 3801 Culebra (Substation)”, “FAASt [Distribution Feeders - Caguas Short Term Group 8] (Distribution)”, and “FAASt [Equipment and Materials]” projects received on June 9, 2022.³ See **Exhibit 1** to this Motion. The documents state FEMA’s approval and include the cost obligated for the projects. LUMA would like to acknowledge that the approval for “FAASt [Equipment and Materials]” erroneously includes a completion date of March 21, 2019. LUMA is working to have that updated with COR3 and/or FEMA.

10. LUMA is submitting herein a redacted public version of **Exhibit 1** protecting confidential information associated with Critical Energy Infrastructure Information (“CEII”). The FEMA approvals of the “FAASt-Substation 2501 Vieques (Substation)”, “FAASt-Substation 3801

³ It is important to note that any FEMA approval for a T&D Project is known when FEMA makes the information available via its grant’s portal. The FEMA approval is made public to anyone with an account to access the grants portal.

Culebra (Substation)”, “FAASt [Distribution Feeders - Caguas Short Term Group 8] (Distribution)”, and “FAASt [Equipment and Materials]” T&D Projects are protected from disclosure as CEII, *see e.g.*, 6 U.S.C. §§ 671-674; 18 C.F.R. §388.113 (2020), and pursuant to the Bureau’s Policy on Management of Confidential Information. *See* Energy Bureau’s Policy on Management of Confidential Information, CEPR-MI-2016-0009, issued on August 31, 2016, as amended by Resolution dated September 20, 2016.

11. Under separate cover and expediently, within the next ten days, as allowed by Section A.2 of the Energy Bureau’s Policy on Management of Confidential Information, LUMA will submit a memorandum of law in support of this request to file the unredacted version of the FEMA approval of the “FAASt-Substation 2501 Vieques (Substation)”, “FAASt-Substation 3801 Culebra (Substation)”, “FAASt [Distribution Feeders - Caguas Short Term Group 8] (Distribution)”, and “FAASt [Equipment and Materials]” T&D Projects under seal of confidentiality.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and **accept** the copy of the FEMA approvals attached herein as Exhibit 1.

RESPECTFULLY SUBMITTED.

We hereby certify that we filed this motion using the electronic filing system of this Energy Bureau. We will send an electronic copy of this motion to the attorneys for PREPA, Joannely Marrero-Cruz, jmarrero@diazvaz.law, and Katuska Bolaños-Lugo, kbolanos@diazvaz.law.

In San Juan, Puerto Rico, on this 18th day of June 2022.



DLA Piper (Puerto Rico) LLC
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/s/ Yahaira De la Rosa Algarín
Yahaira De la Rosa Algarín
RUA NÚM. 18,061
yahaira.delarosa@us.dlapiper.com

Exhibit 1
FEMA Approvals

Department of Homeland Security Federal Emergency Management Agency

General Info

Project #	165209	PW #	10626	Project Type	Specialized
Project Category	F - Utilities			Applicant	PR Electric Power Authority (000-UA2QU-00)
Project Title	FAASt-Substation 3801 Culebra (Substation)			Event	4339DR-PR (4339DR)
Project Size	Large			Declaration Date	9/21/2017
Activity Completion Date	9/20/2027			Incident Start Date	9/17/2017
Process Step	Obligated			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 #425140; FAASt Culebra 3801

DDD for this facility codified in the 136271 - MEPA078 Puerto Rico Electrical Power Authority Island Wide FAASt Project.

General Facility Information:

- **Facility Type:** Power generation, transmission, and distribution facilities
- **Facility:** Culebra 3801
- **Facility Description:** Culebra 3801 is a 4.16 kV substation consisting of a control house, components, and equipment located in a fenced yard
- **Approx. Year Built:** 1960
- **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

425140 FAASt Culebra 3801

Introduction

The purpose of this document is to submit for approval the detailed Scope of Work ("SOW") to COR3 and

FEMA for the Culebra Substation 3801 Project under DR-4339-PR Public Assistance. The document

provides a description of the project including scope, schedule, and cost estimates as well as Environmental & Historical Preservation ("EHP") requirements and proposed 406 hazard mitigation work. LUMA is seeking approval from COR3 and FEMA for project funding to repair, restore, or replace the eligible facilities.

LUMA submits this detailed SOW pursuant to the Transmission and Distribution Operations & Maintenance Agreement between Puerto Rico Electric Power Authority ("PREPA"), the Puerto Rico Public Private Partnerships Authority ("P3A") and LUMA Energy, and in accordance with the Consent to Federal Funding Letter issued by PREPA and P3A and provided herein as Appendix J which collectively provides the necessary consent for LUMA Energy, as agent of PREPA, to undertake work in connection with any Federal Funding requests related to the Transmission and Distribution System submitted to FEMA.

The Culebra Substation is part of the electric grid system for the Municipality of Culebra. While interconnected and inter-functional distribution feeders (sites) establish part of the electrical distribution system, the substation serves as the main hub for the system that serves the entire Island of Culebra.

Facilities List

Name Number	GPS Start	GPS End	Voltage	(kV)
Culebra Substation 3801			38	

Project Scope of Work

The Culebra Substation sustained damages during Hurricanes Irma and Maria which caused damages at the telecommunication control building, electrical equipment, structures, perimeter fence, and other infrastructure. The following repairs will be implemented to modernize and harden the Culebra Substation.

Proposed 428 Public Assistance Scope of Work:

- Remove vegetation, non-vegetation debris from site and buildings including, but not limited to, fencing, electrical equipment, old telecommunication equipment, and other items requiring replacement
- Replace two existing Distribution Protection Unit (DPU) feeder relays with SEL-751 relays directly in the 4.16 kV breaker cubicles. All controls and wiring will remain
- Build a new oil spill containment structure for the existing 38/4.16kV power transformer with a capacity of 110% of the transformer oil volume per LUMA codes and standards
- Repair and replace the existing ground grid to ensure the substation grid passes ground grid integrity test on grounding connections
- Install a new outdoor metal enclosure dedicated for telecommunication equipment and battery bank (48VDC)

- Replace the existing Supervisory Control and Data Acquisition (SCADA) and Remote Terminal Unit (RTU) inside the existing enclosure
- Replace existing telecommunications tower (120ft.) and microwave antenna
- Build one new concrete pad for the telecommunications enclosure
- Build a new concrete driveway for the mobile substation
- Perform minor repairs to the perimeter fence (203.35ft/ 61.98m.) including replacement of poles and gates.
- Implement animal and vegetation control measures and place gravel on yard
- Perform minor repairs to the existing Telecommunication room

Cost Estimate

Environmental and Permitting:	\$259,974 (A&E Component (57.8%): \$150,380)
Engineering Service & Design:	\$236,538 (A&E Component (100%): \$236,538)
Management:	\$216,625 (A&E Component (62.5%): \$135,442)
Substation / Telecom:	\$957,085
Contingency:	\$134,356

Work to be Completed (WTBC):	\$1,804,578
A&E Deduction (Global A&E FAASt 335168):	\$ -522,360
Project Total:	\$ 1,282,218

Project Notes:

1. Please refer to document *165209-D4339PR-Detailed SOW-Culebra Substation 3801.pdf* for additional information regarding the Applicant submitted Scope of Work (SOW) for this project.
2. The A&E fees were deducted from this project as they are already obligated in Project 335168 – FAASt A&E PREPA
3. The A&E fees were calculated and modified based on correspondence submitted by the Applicant on 04-May-2022. See document: *165209-D4339PR-Email - AE Calculation by Applicant 04-Mar-2022.pdf*
4. Please refer to Appendix G in document *165209-D4339PR-Detailed SOW-Culebra Substation 3801- Appendix A-M.zip*, for additional cost estimate information.

406 HMP Scope

Project number: 165209

Damage #425140; FAASt-Substation 3801 Culebra (Substation)

Applicant: PR Electric Power Authority (000-UA2QU-00)

<p>Location: Culebra, Puerto Rico</p> <p>GPS Latitude/Longitude: [REDACTED]</p>

Hazard Mitigation Narrative

During the incident period from September 17, 2017, to November 15, 2017, the Commonwealth of Puerto Rico experienced hurricane-force winds, heavy rain, flooding and power outage "loss of power" from Hurricane Maria. The incident caused damage to the electrical system, such as power generation plants, transmission and distribution lines, substations, communication systems, buildings, among other damages to the infrastructures owned, operated, and maintained by the Puerto Rico Electric Power Authority (PREPA).

The Culebra Substation 3801 was built approximately in 1960 and is located in the Municipality of Culebra Puerto Rico. The facility is a 38KV/4.16KV substation with a 3.2MVA transformer served off the 38 KV electrical sub-transmission line (TL 5400). The Sub-station steps down the voltage from 38KV to 4.16KV and serves 2 feeders that supplies the island. The substation received sustained damages to the telecommunication control building (electro-mechanical protection relays, SCADA, battery bank, battery charger, among others), electrical equipment, structures, perimeter fence, and other infrastructure. According to the information provided by the Applicant, due to the high velocity hurricane winds, loss of power and prolonged heavy rain was the main cause of the damages of the facility.

In order to minimize the damages in a future event, the Applicant is proposing as a mitigation measure, the installation of a new Back-Up Power Generator to provide continuous power to the circuits breakers to allow PREPA remotely operate the system in the event of a distribution line failure. This mitigation measures have the ability of recharge the batteries avoiding the battery discharge drainage effect and loss of function of the communication and control systems. The above mitigation measures will protect and make the affected elements more resistant to similar hazards.

Hazard Mitigation Proposal (HMP) Scope of Work:

In order to prevent or reduce future damages from similar events, the applicant proposed the following mitigation measures:

Mitigation Measures *(Supplement)*

1. To avoid damage to the battery bank by the discharge drainage effect, the Applicant is proposing as a mitigation measure, the installation of a new Standby Emergency Power Generator [48KW, 120/240V, aluminum enclosure, with an Automatic Transfer Switch (ATS)] that will provide continuous power to the circuits breakers that allow PREPA remotely operate the system in the event of a distribution line failure. This mitigation measures have the ability of recharge the batteries avoiding the battery discharge drainage effect and loss of function of the communication and control systems. **Note:** Prior to the purchase of the generator, the Applicant must consider that the substation is located less than a mile from the sea, so the exposed equipment and materials must be resilient to the environmental conditions.

Hazard Mitigation Proposal (HMP) Cost:

Total Net Hazard Mitigation Cost (Base Cost) =	\$ 72,835.00
+ HM (Applicant A&E, Management & General Conditions) =	<u>\$ 104,556.00</u>
Hazard Mitigation Total Cost =	\$ 177,391.00

HMP Cost-Effectiveness Calculations:

Project BCR (Benefit Cost Ratio):

BCR = (Total Hazard Mitigation Benefits / Total Hazard Mitigation Project Cost)

BCR = (\$3,113,960.00 / \$196,862.00) = **15.82**

The FEMA BCA tool is utilized to determine the mitigation project benefits, which is the present value of the sum of the expected annual avoided damages of all the mitigation actions or damage inventories over the project useful life, and the dollar amount is compared with the total mitigation cost to obtain the benefit cost ratio (BCR). A project is considered cost-effective when the BCR is equal to or greater than one (1.0).

* See Mitigation Profile Documents Tab for complete version of this HMP and supporting documents.

* Due to GM system constraints in the Mitigation Profile Cost Tab, there may be a discrepancy in the total dollar amount of the mitigation proposal (or, the cost effectiveness statement) cited in the Cost Tab of the project(s). Whenever a difference between the Mitigation Cost Tab and the completed HMP cost occurs, the correct dollar amount of the grant proposal will default to the amount of 406 funding cited on the actual HMP document (and the Cost Summary Spreadsheet) uploaded into the Mitigation Profile Documents Tab.

* This project Hazard Mitigation costing / soft cost / factor methodologies followed the same procedures provided in the cost estimates of the PA portion of the project.

Cost

Code	Quantity	Unit	Total Cost	Section
3510 ((Engineering And Design Services (A&E fees already included in Project 335168 - FAASt A&E PREPA, thus deducted here to avoid duplication)))	1.00	Lump Sum	(\$522,360.00)	Uncompleted
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	\$1,804,578.00	Uncompleted

CRC Gross Cost \$1,282,218.00

Total 406 HMP Cost \$177,391.00

Total Insurance Reductions \$0.00

CRC Net Cost \$1,459,609.00

Federal Share (90.00%) \$1,313,648.10

Non-Federal Share (10.00%) \$145,960.90

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-10626(11885)	\$1,459,609.00	90 %	\$1,313,648.10	6/9/2022

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 all 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 declarations 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.
- The Subrecipient provided the estimate for this PW. FEMA validated the estimate and found it to be reasonable for the work to be performed.
- 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 all 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

5/11/2022

GENERAL INFORMATION

Event: DR4339-PR

Project: SP 165209

Category of Work: Cat F - Utilities

Applicant: PR Electric Power Authority

Event Type: Hurricane / Hurricane Maria

Cause of Loss: Wind / Wind Driven Rain

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

Total Public Assistance Amount: \$1,459,609.00 (Repairs Amount \$1,282,218.00 + Mitigation Amount \$177,391.00)

COMMERCIAL INSURANCE INFORMATION

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

Policies Issued by: Willis Towers Watson, Multinational Insurance Company and Mapfre

Policy Numbers: Willis Towers Watson (B0804Q1966F17, B0804Q14312F17, B0804Q19673F17, B0804Q19672F17, B0804Q18529F17, B0804Q14312F17, B0804Q19674F17, B0804Q18411F17, B0804Q14310F17, B0804Q11038F17, B0804Q14507F17, B0804Q14312F17)

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 \$25,000,000.00

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

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

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

Damaged Inventory (DI) #425140:

FAASt Culebra 3801

Location Description: Culebra 3801

GPS Coordinates: [REDACTED]

Cause of Loss: Wind / Wind Driven Rain

SOV / Schedule #: "Sub-stations"

SOV / Schedule Amount: \$1,345,700,000.00

Applicable Deductible Amount: \$25,000,000.00

Damage Inventory Amount: \$1,459,609.00 (Repairs Amount \$1,282,218.00 + Mitigation Amount \$177,391.00)

-

Prior Obtain and Maintain Requirement:

No prior insurance requirements were found for this facility.

-

Reduction(s):

No insurance reduction will be applied to this project. An anticipated insurance reduction of \$193,746,436.00 was applied to FFAST project # 136271 for anticipated insurance proceeds for Hurricane Maria losses. For ease of reference, please see table of insurance allocations: "PREPA Allocation Plan – All Disasters" file.

Obtain and Maintain Requirement:

An Obtain & Maintain Requirement is being required for Equipment, for the peril of Wind (all wind associated losses including "wind driven rain" for the FFAST Culebra 3801 in the amount of \$1,408,586.00 (Repairs Amount \$1,282,218.00 – Uninsurable Items Amount (fences) \$51,023.00 + Insurable Mitigation Amount \$177,391.00). Please see "165209-D4339PR-Appendix G - Culebra Substation 3801 Cost Estimate" file.

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.

Standard Insurance Comments

FEMA Policy 206-086-1

PART 2: Other Insurance-Related Provisions. (Sections 312 and 406(d) of the Stafford Act)

A. Duplication of Benefits. FEMA cannot provide assistance for disaster-related losses that duplicate benefits available to an applicant from another source, including insurance.

1. Before FEMA approves assistance for a property, an applicant must provide FEMA with information about any actual or anticipated insurance settlement or recovery it is entitled to for that property.
2. FEMA will reduce assistance to an applicant by the amount of its actual or anticipated insurance proceeds.
3. Applicants must take reasonable efforts to recover insurance proceeds that they are entitled to receive from their insurer(s).

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 (i.e., "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 \$5,000.00. 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:

1. 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
2. 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.

Jean-Carlo Echevarria, PA Insurance Specialist, CRC Atlantic, Guaynabo, PR

O&M Requirements

Insured Peril	Item Type	Description	Required Coverage Amount
Wind	Equipment	An Obtain & Maintain Requirement is being required for Equipment, for the peril of Wind (all wind associated losses including "wind driven rain" for the FAASt Culebra 3801 in the amount of \$1,408,586.00.	\$1,408,586.00

406 Mitigation

There is no additional mitigation information on **FAASt-Substation 3801 Culebra (Substation)**.

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 all federal, state and local requirements. Acceptance of federal funding requires recipient to comply with all federal, state and local laws. Failure to obtain all 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.
- 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.
- Endangered Species Act (ESA) - The Applicant must provide documentation at close-out that proves completion of required Conservation Measures. Conditions for the Virgins Island Boas 1. Inform all personnel about the potential presence of the PR boa and the VI boa in areas where the proposed work will be conducted. Photographs of the PR and VI Boa are to be prominently displayed at the site. The recipient must ensure that project personnel is able to correctly identify a PR or VI boa. For information on PR boa, please visit: <https://ecos.fws.gov/ecp/species/6628>. 2. Prior to any construction activity, including removal of vegetation and earth movement, the boundaries of the project area must be delineated, buffer zones, and areas to be excluded and protected, should be clearly marked in the project plan and in the field to avoid further habitat degradation into forested areas. Once areas are clearly marked, and prior to any construction activity, including site preparation, project personnel able to correctly identify a PR or VI boa must survey the areas to be cleared to ensure that no boas are present within the work area. Vehicle and equipment operation must remain on designated access roads/paths and within rights-of way. 3. If a VI boa is found within any of the working or construction areas, activities should stop in the area where the boa was found. Do not capture the boa. If boas need to be moved out of harm's way, project personnel designated by the recipient shall immediately contact the Puerto Rico Department of Natural and Environmental Resources (PRDNER) Rangers for safe capture and relocation of the animal (PRDNER phone #s: 787-724-5700, 787-230-5550, 787-771-1124). If immediate relocation is not an option, project-related activities at this area must stop until the boa moves out

of harm's way on its own. Activities at other work sites, where no boas have been found after surveying the area, may continue. 4. Measures should be taken to avoid and minimize PR boa casualties by heavy machinery or motor vehicles being used on site. Any heavy machinery left on site (staging) or near potential PR boa habitat (within 50 meters of potential boa habitat), needs to be thoroughly inspected each morning before work starts to ensure that no boas have sheltered within engine compartments or other areas of the equipment. If PR boas are found within vehicles or equipment, do not capture the animal and let it move on its own or call PRDNER Rangers for safe capture and relocation of the boa (PRDNER phone #: 787-724-5700, 787-230-5550, 787-771-1124). If not possible, the animal should be left alone until it leaves the vehicle on its own. 5. VI boas may seek shelter in debris piles. Measures should be taken to avoid and minimize boa casualties associated with sheltering in debris piles as a result of project activities. Debris piles should be placed far away from forested areas. Prior to moving, disposing or shredding, debris piles should be carefully inspected for the presence of boas. If VI boas are found within debris piles, do not capture the animal and let it move on its own or call PRDNER Rangers for safe capture and relocation of the animal. If debris piles will be left on site, we recommend they be placed in areas that will not be disturbed in the future. 6. For all boa sightings (dead or alive), personnel designated by the recipient must record the time and date of the sighting and the specific location where the boa was found. Data should also include a photo of the animal dead or alive, and site GPS coordinates, and comments on how the animal was detected and its behavior. If the PR boa was accidentally killed as part of the project actions, please include information on what conservation measures had been implemented and what actions will be taken to avoid further killings. All boa-sighting reports should be sent to the USFWS Caribbean Ecological Services Field Office, Marelisa Rivera - Deputy Field Supervisor, 787- 851-7297 extension 206, 787-510-5207, marelisa_rivera@fws.gov.

- Resource Conservation and Recovery Act, aka Solid Waste Disposal Act (RCRA) 1. 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. 2. Unusable equipment, debris, white goods, scrap metal any other material 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 petroleum products, hazardous materials and toxic waste in accordance to the requirements of the local and federal agencies. Noncompliance with these requirements may jeopardize receipt of federal funds

EHP Additional Info

There is no additional environmental historical preservation on **FAASt-Substation 3801 Culebra (Substation)**.

Final Reviews

Final Review

Reviewed By MARTINEZ SANTIAGO, ISRAEL

Reviewed On 06/02/2022 10:53 AM AST

Review Comments

FEMA Final Review completed. Project ready for Recipient Review.

Recipient Review

Reviewed By Salgado, Gabriel

Reviewed On 06/02/2022 10:59 AM AST

Review Comments

Recipient review completed. Project is ready for Applicant Review.

Fixed Cost Offer

As a Public Assistance (PA) Subrecipient PR Electric Power Authority (000-UA2QU-00), in accordance with Section 428 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Applicant agrees to accept a permanent work subaward based on a Fixed Cost Offer in the amount of \$1,459,609.00 for subaward number 10626 under Disaster # 4339. The Applicant accepts responsibility for all costs above the Fixed Cost Offer.

The Applicant understands that by participating in this pilot program they will be reimbursed for allowable costs in accordance with 2 CFR Part 200, and the reimbursement will not exceed the Fixed Cost Offer. The Applicant also understands that by agreeing to this Fixed Cost Offer, they will not receive additional funding related to the facilities or sites included in the subaward. The Applicant also acknowledges that failure to comply with the requirements of applicable laws and regulations governing assistance provided by FEMA and the PA Alternative Procedures Pilot Program Guidance (such as procurement and contracting; environmental and historic preservation compliance; and audit and financial accountability) may lead to loss of federal funding.

Project Signatures

Signed By Nieves, Ezequiel

Signed On 06/08/2022

Department of Homeland Security Federal Emergency Management Agency

General Info

Project #	165225	PW #	10624	Project Type	Specialized
Project Category	F - Utilities			Applicant	PR Electric Power Authority (000-UA2QU-00)
Project Title	FAASt-Substation 2501 Vieques (Substation)			Event	4339DR-PR (4339DR)
Project Size	Large			Declaration Date	9/21/2017
Activity Completion Date	9/20/2027			Incident Start Date	9/17/2017
Process Step	Obligated			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 #425150; FAASt Vieques Substation 2501

DDD for this facility codified in the 136271 - MEPA078 Puerto Rico Electrical Power Authority Island Wide FAASt Project.

General Facility Information:

- **Facility Type:** Power generation, transmission, and distribution facilities
- **Facility:** Vieques Substation 2501
- **Facility Description:** Vieques 2501 is a 38/4.16 kV substation consisting of a control house, components, and equipment located in a fenced yard.
- **Approx. Year Built:** 1970
- **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

425150 FAASt Vieques Substation 2501

Introduction

The purpose of this document is to submit for approval the detailed Scope of Work ("SOW") to COR3 and FEMA for the Vieques Substation 2501 project under DR-4339-PR Public Assistance. The document provides a description of the project including scope, schedule, and cost estimates as well as Environmental & Historical Preservation ("EHP") requirements and proposed 406 hazard mitigation work. LUMA is seeking approval from COR3 and FEMA for project funding to repair, restore, or replace the eligible facilities.

LUMA submits this detailed SOW pursuant to the Transmission and Distribution Operations & Maintenance Agreement between Puerto Rico Electric Power Authority ("PREPA"), the Puerto Rico Public Private Partnerships Authority ("P3A") and LUMA Energy, and in accordance with the Consent to Federal Funding Letter issued by PREPA and P3A and provided herein as Appendix J which collectively provides the necessary consent for LUMA Energy, as agent of PREPA, to undertake working connection with any Federal Funding requests related to the Transmission and Distribution System submitted to FEMA.

Facilities

The Vieques Substation is part of the electric grid system for the Municipality of Vieques. While interconnected and inter-functional distribution feeders (sites) establish part of the electrical distribution system, the substation serves as the main hub for the system that serves the entire Island of Vieques.

Facilities List

Name: Vieques Substation

Number: 2501

GPS Coordinates: [REDACTED]

Voltage (kV): 38

Project Scope of Work

The Vieques Substation sustained substantial damages due to Hurricanes Irma and Maria to the telecommunication control building, electrical equipment, structures, perimeter fence, and other infrastructure. The following repairs will be implemented to modernize and harden the Vieques Substation.

Proposed 428 Public Assistance Scope of Work:

- A. Remove vegetation, non-vegetation debris from site and buildings including, but not limited to, fencing, electrical equipment, old telecommunication equipment, and other items requiring replacement.
- B. Replace three existing Distribution Protection Unit (DPU) feeder relays with 6EL-751 relays directly in the distribution 4.16 kV breaker cubicles. All existing controls and wiring will remain.
- C. Build a new oil spill containment structure for the existing 38/4.16kV power transformer with a capacity of 110% of the transformer oil volume per codes and standards.
- D. Repair and replace the existing ground grid to ensure the substation grid passes ground grid integrity test on grounding connections.
- E. Install a new outdoor metal enclosure dedicated for telecommunication equipment and battery bank (48VDC)
- F. Replace the existing Supervisory Control and Data Acquisition (SCADA) and Remote Terminal Unit (RTU) inside the existing enclosure
- G. Replace existing microwave antenna on the existing telecommunication tower
- H. Build one new concrete pad for the telecommunications enclosure
- I. Perform minor repairs to the concrete driveway of the mobile substation

- J. Perform minor repairs to the perimeter fence (336.60 ft./102.29m) including replacement
- K. of poles and gates
- L. Implement animal and vegetation control measures and place gravel on yard

Cost Estimate

Environmental and Permitting:	\$255,114 (A&E Component (57.9%): \$147,783)
Engineering Service & Design:	\$248,676 (A&E Component (100%): \$248,676)
Management:	\$212,381 (A&E Component (63.7%): \$135,304)
Substation / Telecom:	\$896,704
Contingency:	\$127,999
Total	\$1,740,874

Work to be Completed (WTBC):	\$1,740,874
A&E Deduction (Global A&E FAASt 335168):	<u>-\$531,763</u>
Project Total:	\$1,209,111

Project Notes:

1. Please refer to document *165225-Detailed SOW-Vieques Substation 2501.pdf* for additional information regarding the Applicant submitted Scope of Work (SOW) for this project.
2. The A&E fees were deducted from this project as they are already obligated in Project 335168 – FAASt A&E PREPA.
3. The A&E fees were calculated and modified based on correspondence submitted by the Applicant on 04-May-2022. See document: *165225 - DR4339-PR - Email - A&E Calculation by Applicant 04-Mar-2022.pdf*
4. Please refer to Appendix G in document *165225-Detailed SOW-Appendix A-K.zip*, for additional cost estimate information.

406 HMP Scope

Project number: 165225

Damage #425150; FAASt-Substation 2501 Vieques (Substation)

Applicant: PR Electric Power Authority (000-UA2QU-00)

Location: Vieques, Puerto Rico

GPS Latitude/Longitude: [REDACTED]

Hazard Mitigation Narrative

During the incident period from September 17, 2017, to November 15, 2017, the Commonwealth of Puerto Rico experienced hurricane-force winds, heavy rain, flooding and power outage "loss of power" from Hurricane Maria. The incident caused damage to the electrical system, such as power generation plants, transmission and distribution lines, substations, communication systems, buildings, among other damages to the infrastructures owned, operated, and maintained by the Puerto Rico Electric Power Authority (PREPA).

The Vieques Substation 2501 was built approximately in 1970 and is located in the Municipality of Vieques Puerto Rico. The facility is a 38KV/4.16KV substation with a 7.5MVA transformer served off the 38 KV electrical sub-transmission line (TL 5400). The Sub-station steps down the voltage from 38KV to 4.16KV and serves 3 feeders that supplies the island. The substation received sustained damages to the telecommunication control building (electro-mechanical protection relays, SCADA, battery bank, battery charger, among others), electrical equipment, structures, perimeter fence, and other infrastructure. According to the information provided by the Applicant, due to the high velocity hurricane winds, loss of power and prolonged heavy rain was the main cause of the damages of the facility.

In order to minimize the damages in a future event, the Applicant is proposing as a mitigation measure, the installation of a new Back-Up Power Generator to provide continuous power to the circuits breakers to allow PREPA remotely operate the system in the event of a distribution line failure. This mitigation measures have the ability of recharge the batteries avoiding the battery discharge drainage effect and loss of function of the communication and control systems. The above mitigation measures will protect and make the affected elements more resistant to similar hazards.

Hazard Mitigation Proposal (HMP) Scope of Work:

In order to prevent or reduce future damages from similar events, the applicant proposed the following mitigation measures:

Mitigation Measures *(Supplement)*

1. To avoid damage to the battery bank by the discharge drainage effect, the Applicant is proposing as a mitigation measure, the installation of a new Standby Emergency Power Generator [48KW, 120/240V, aluminum enclosure, with an Automatic Transfer Switch (ATS)] that will provide continuous power to the circuits breakers that allow PREPA remotely operate the system in the event of a distribution line failure. This mitigation measures have the ability of recharge the batteries avoiding the battery discharge drainage effect and loss of function of the communication and control systems. **Note:** Prior to the purchase of the generator, the Applicant must consider that the substation is located less than a mile from the sea, so the exposed equipment and materials must be resilient to the environmental conditions.

Hazard Mitigation Proposal (HMP) Cost:

Total Net Hazard Mitigation Cost (Base Cost) =	\$ 72,835.00
+ HM (Applicant A&E, Management & General Conditions) =	<u>\$ 105,474.00</u>
Hazard Mitigation Total Cost =	\$ 178,309.00

HMP Cost-Effectiveness Calculations:

Project BCR (Benefit Cost Ratio):

BCR = (Total Hazard Mitigation Benefits / Total Hazard Mitigation Project Cost)

BCR = (\$6,721,062.00 / \$196,862.00) = **34.14**

The FEMA BCA tool is utilized to determine the mitigation project benefits, which is the present value of the sum of the expected annual avoided damages of all the mitigation actions or damage inventories over the project useful life, and the dollar amount is compared with the total mitigation cost to obtain the benefit cost ratio (BCR). A project is considered cost-effective when the BCR is equal to or greater than one (1.0).

* See Mitigation Profile Documents Tab for complete version of this HMP and supporting documents.

* Due to GM system constraints in the Mitigation Profile Cost Tab, there may be a discrepancy in the total dollar amount of the mitigation proposal (or, the cost effectiveness statement) cited in the Cost Tab of the project(s). Whenever a difference between the Mitigation Cost Tab and the completed HMP cost occurs, the correct dollar amount of the grant proposal will default to the amount of 406 funding cited on the actual HMP document (and the Cost Summary Spreadsheet) uploaded into the Mitigation Profile Documents Tab.

* This project Hazard Mitigation costing / soft cost / factor methodologies followed the same procedures provided in the cost estimates of the PA portion of the project.

Cost

Code	Quantity	Unit	Total Cost	Section
3510 (Engineering And Design Services (A&E fees already included in Project 335168 - FAAsT A&E PREPA, thus deducted here to avoid duplication))	1.00	Lump Sum	(\$531,763.00)	Uncompleted
9201 (PAAP Fixed Estimate (No Value - Tracking Purposes Only))	1.00	Lump Sum	\$0.00	Completed
9001 (Contract)	1.00	Lump Sum	\$1,740,874.00	Uncompleted

CRC Gross Cost \$1,209,111.00

Total 406 HMP Cost \$178,309.00

Total Insurance Reductions \$0.00

CRC Net Cost \$1,387,420.00

Federal Share (90.00%) \$1,248,678.00

Non-Federal Share (10.00%) \$138,742.00

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-10624(11884)	\$1,387,420.00	90 %	\$1,248,678.00	6/9/2022

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.
- Subrecipient agrees to fund any cost overrun associated with completion of the approved Scope of Work.
- 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 all 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 declarations 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 all 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

5/11/2022

GENERAL INFORMATION

Event: DR4339-PR

Project: SP 165225

Category of Work: Cat F - Utilities

Applicant: PR Electric Power Authority

Event Type: Hurricane / Hurricane Maria

Cause of Loss: Wind / Wind Driven Rain

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

Total Public Assistance Amount: \$1,387,420.00 (Repairs Amount \$1,209,111.00 + Mitigation Amount \$178,309.00)

COMMERCIAL INSURANCE INFORMATION

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

Policies Issued by: Willis Towers Watson, Multinational Insurance Company and Mapfre

Policy Numbers: Willis Towers Watson (B0804Q1966F17, B0804Q14312F17, B0804Q19673F17, B0804Q19672F17, B0804Q18529F17, B0804Q14312F17, B0804Q19674F17, B0804Q18411F17, B0804Q14310F17, B0804Q11038F17, B0804Q14507F17, B0804Q14312F17)

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 \$25,000,000.00

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

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

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

Damaged Inventory (DI) #425150:

FAASt Vieques Substation 2501

Location Description: Vieques Substation 2501

GPS Coordinates: XXXXXXXXXX

Cause of Loss: Wind / Wind Driven Rain

SOV / Schedule #: "Sub-stations"

SOV / Schedule Amount: \$1,345,700,000.00

Applicable Deductible Amount: \$25,000,000.00

Damage Inventory Amount: \$1,387,420.00 (Repairs Amount \$1,209,111.00 + Mitigation Amount \$178,309.00)

-

Prior Obtain and Maintain Requirement:

No prior insurance requirements were found for this facility.

-

Reduction(s):

No insurance reduction will be applied to this project. An anticipated insurance reduction of \$193,746,436.00 was applied to FFAST project # 136271 for anticipated insurance proceeds for Hurricane Maria losses. For ease of reference, please see table of insurance allocations: "PREPA Allocation Plan – All Disasters" file.

Obtain and Maintain Requirement:

An Obtain & Maintain Requirement is being required for Equipment, for the peril of Wind (all wind associated losses including "wind driven rain" for the FFAST Vieques Substation 2501 in the amount of \$1,387,420.00 (Repairs Amount \$1,209,111.00 + Mitigation Amount \$178,309.00).

"The cost estimate provided by the Applicant in PDF format does not allow the Insurance Specialist to calculate uninsurable costs. Therefore, an O&M requirement is mandated for the total costs of each DI."

-

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.

Standard Insurance Comments

FEMA Policy 206-086-1

PART 2: Other Insurance-Related Provisions. (Sections 312 and 406(d) of the Stafford Act)

A. Duplication of Benefits. FEMA cannot provide assistance for disaster-related losses that duplicate benefits available to an applicant from another source, including insurance.

1. Before FEMA approves assistance for a property, an applicant must provide FEMA with information about any actual or anticipated insurance settlement or recovery it is entitled to for that property.
2. FEMA will reduce assistance to an applicant by the amount of its actual or anticipated insurance proceeds.
3. Applicants must take reasonable efforts to recover insurance proceeds that they are entitled to receive from their insurer(s).

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 (i.e., "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 \$5,000.00. 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:

1. 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
2. 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.

Jean-Carlo Echevarria, PA Insurance Specialist, CRC Atlantic, Guaynabo, PR

O&M Requirements

Insured Peril	Item Type	Description	Required Coverage Amount
Wind	Equipment	An Obtain & Maintain Requirement is being required for Equipment, for the peril of Wind (all wind associated losses including "wind driven rain" for the FAASt Vieques Substation 2501 in the amount of \$1,387,420.00.	\$1,387,420.00

406 Mitigation

There is no additional mitigation information on **FAASt-Substation 2501 Vieques (Substation)**.

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 all federal, state and local requirements. Acceptance of federal funding requires recipient to comply with all federal, state and local laws. Failure to obtain all 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.
- Endangered Species Act (ESA): The Applicant must provide documentation at close-out that proves completion of required Conservation Measures.
- Endangered Species Act (ESA): Conditions for the Puerto Rican Boa 1. Inform all personnel about the potential presence of the PR boa and the VI boa in areas where the proposed work will be conducted. Photographs of the PR and VI Boa are to be prominently displayed at the site. The recipient must ensure that project personnel is able to correctly identify a PR or VI boa. For information on PR boa, please visit: <https://ecos.fws.gov/ecp/species/6628>. 2. Prior to any construction activity, including removal of vegetation and earth movement, the boundaries of the project area must be delineated, buffer zones, and areas to be excluded and protected, should be clearly marked in the project plan and in the field to avoid further habitat degradation into forested areas. Once areas are clearly marked, and prior to any construction activity, including site preparation, project personnel able to correctly identify a PR or VI boa must survey the areas to be cleared to ensure that no boas are present within the work area. Vehicle and equipment operation must remain on designated access roads/paths and within rights-of way. 3. If a PR boa is found within any of the working or construction areas, activities should stop in the area where the boa was found. Do not capture the boa. If boas need to be moved out of harm's way, project personnel designated by the recipient shall immediately contact the Puerto Rico Department of Natural and Environmental Resources (PRDNER) Rangers for safe capture and relocation of the animal (PRDNER phone #s: 787-724-5700, 787-230-5550, 787-771-1124). If immediate relocation is not an option, project-related activities at this area must stop until the boa moves out of harm's way on its own. Activities at other work sites, where no boas have been found after surveying the area, may continue. 4. Measures should be taken to avoid and minimize PR boa casualties by heavy machinery or motor vehicles

being used on site. Any heavy machinery left on site (staging) or near potential PR boa habitat (within 50 meters of potential boa habitat), needs to be thoroughly inspected each morning before work starts to ensure that no boas have sheltered within engine compartments or other areas of the equipment. If PR boas are found within vehicles or equipment, do not capture the animal and let it move on its own or call PRDNER Rangers for safe capture and relocation of the boa (PRDNER phone #: 787-724-5700, 787-230-5550, 787-771-1124). If not possible, the animal should be left alone until it leaves the vehicle on its own. 5. PR boas may seek shelter in debris piles. Measures should be taken to avoid and minimize boa casualties associated with sheltering in debris piles as a result of project activities. Debris piles should be placed far away from forested areas. Prior to moving, disposing or shredding, debris piles should be carefully inspected for the presence of boas. If PR boas are found within debris piles, do not capture the animal and let it move on its own or call PRDNER Rangers for safe capture and relocation of the animal. If debris piles will be left on site, we recommend they be placed in areas that will not be disturbed in the future. 6. For all boa sightings (dead or alive), personnel designated by the recipient must record the time and date of the sighting and the specific location where the boa was found. Data should also include a photo of the animal dead or alive, and site GPS coordinates, and comments on how the animal was detected and its behavior. If the PR boa was accidentally killed as part of the project actions, please include information on what conservation measures had been implemented and what actions will be taken to avoid further killings. All boa-sighting reports should be sent to the USFWS Caribbean Ecological Services Field Office, Marelisa Rivera - Deputy Field Supervisor, 787-851-7297 extension 206, 787-510-5207, marelisa_rivera@fws.gov.

- 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 any other material 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 petroleum products, hazardous materials and toxic waste in accordance to the requirements of the local and federal agencies. Noncompliance with these requirements may jeopardize receipt of federal funds.

EHP Additional Info

There is no additional environmental historical preservation on **FAASt-Substation 2501 Vieques (Substation)**.

Final Reviews

Final Review

Reviewed By MARTINEZ SANTIAGO, ISRAEL

Reviewed On 05/27/2022 11:56 AM AST

Review Comments

FEMA FINAL completed. Project ready for recipient review.

Recipient Review

Reviewed By Salgado, Gabriel

Reviewed On 05/27/2022 12:15 PM AST

Review Comments

Recipient review completed. Project is ready for Applicant Review.

Fixed Cost Offer

As a Public Assistance (PA) Subrecipient PR Electric Power Authority (000-UA2QU-00), in accordance with Section 428 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Applicant agrees to accept a permanent work subaward based on a Fixed Cost Offer in the amount of \$1,387,420.00 for subaward number 10624 under Disaster # 4339. The Applicant accepts responsibility for all costs above the Fixed Cost Offer.

The Applicant understands that by participating in this pilot program they will be reimbursed for allowable costs in accordance with 2 CFR Part 200, and the reimbursement will not exceed the Fixed Cost Offer. The Applicant also understands that by agreeing to this Fixed Cost Offer, they will not receive additional funding related to the facilities or sites included in the subaward. The Applicant also acknowledges that failure to comply with the requirements of applicable laws and regulations governing assistance provided by FEMA and the PA Alternative Procedures Pilot Program Guidance (such as procurement and contracting; environmental and historic preservation compliance; and audit and financial accountability) may lead to loss of federal funding.

Project Signatures

Signed By Nieves, Ezequiel

Signed On 06/08/2022

Department of Homeland Security Federal Emergency Management Agency

General Info

Project #	334527	PW#	10701	Project Type	Specialized
Project Category	F - Utilities	Applicant	PR Electric Power Authority (000-UA2QU-00)		
Project Title	FAASt [Distribution Feeders - Caguas Short Term Group 8] (Distribution)			Event	4339DR-PR (4339DR)
Project Size	Small	Declaration Date	9/21/2017		
Activity Completion Date	9/20/2027	Incident Start Date	9/17/2017		
Process Step	Obligated	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 #661706; FAASt [2603 - 08 Humacao T.C. 13 kV]

DDD for this facility codified in the 136271 - MEPA078 Puerto Rico Electrical Power Authority Island Wide FAASt Project.

General Facility Information:

- **Facility Type:** Power generation, transmission, and distribution facilities
- **Facility:** 2603 - 08 Humacao T.C. 13 kV
- **Facility Description:** The feeder 2603-08 (13.2kV) consists of poles and structures (including their foundations), framing and insulators, load break switches (manual and automated), capacitor banks, voltage regulators, transformers (including lightning arresters and fuse cut-outs), conductors, guy wires, anchoring, grounding assemblies, underground cable, underground cable systems, fault interrupting equipment (fuses, reclosers, and sectionalizers), and any other associated components.
- **Approx. Year Built:** 1980
- **Start GPS Latitude/Longitude:** [REDACTED]
- **End 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

Damage #661707; FAASt [3701 - 03 Aguas Buenas]

DDD for this facility codified in the 136271 - MEPA078 Puerto Rico Electrical Power Authority Island Wide FAASt Project.

General Facility Information:

- **Facility Type:** Power generation, transmission, and distribution facilities
- **Facility:** 3701 - 03 Aguas Buenas
- **Facility Description:** The feeder 3701-03 (13.2kV) consists of poles and structures (including their foundations), framing and insulators, load break switches (manual and automated), capacitor banks, voltage regulators, transformers (including lightning arresters and fuse cut-outs), conductors, guy wires, anchoring, grounding assemblies, underground cable, underground cable systems, fault interrupting

equipment (fuses, reclosers, and sectionalizers), and any other associated components.

- **Approx. Year Built:** 1980
- **Start GPS Latitude/Longitude:** [REDACTED]
- **End 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

661706 FAASt [2603 - 08 Humacao T.C. 13 kV]

Introduction

The purpose of this document is to submit for approval the detailed Scope of Work ("SOW") to COR3 and FEMA for the Distribution Pole and Conductor Repair - Caguas Group 8 Project under DR-4339-PR Public Assistance. The document provides a description of the project including scope, schedule, and cost estimates as well as Environmental & Historical Preservation ("EHP") requirements and proposed 406 hazard mitigation work. LUMA Energy is seeking approval from COR3 and FEMA for project funding to repair, restore, or replace the eligible facilities.

LUMA submits this detailed SOW pursuant to the Transmission and Distribution Operations & Maintenance Agreement between Puerto Rico Electric Power Authority ("PREPA"), the Puerto Rico Public-Private Partnerships Authority ("P3A") and LUMA Energy, and in accordance with the Consent to Federal Funding Letter issued by PREPA and P3A and provided herein as Appendix F which collectively provides the necessary consent for LUMA Energy, as agent of PREPA, to undertake work in connection with any Federal Funding requests related to the Transmission and Distribution System submitted to FEMA.

Facilities

The facilities listed below are part of the feeder systems in the Caguas Region. These interconnected and inter-functional distribution feeders (sites) are part of the electrical distribution system. All the feeders originate from a substation (start) and serve customers along the route to various locations (end). The coordinates shown as "GPS End" represent the end of the mainline backbone of each feeder.

Humacao T.C. 13kV - Feeder 3701-03

Name Feeder Number, GPS Start, GPS End, Phase Voltage Level (kV), and Construction Date, are provided in a table in Facilities section document labelled: *334527-DR4339PR-Detailed SOW-Distribution Pole and Conductor Repair Caguas-Group 8 Rev1.pdf, page 5/12.*

Proposed Scope of Work:

Feeder 2603-08 Scope:

A. Remove one 60ft wood pole and install one 70ft galvanized steel S8 pole in the same location. Cross arms, insulators and all associated hardware will also be replaced along with the new structure.

For detailed structure coordinates, please refer to document labeled: *334527-Appendix G -Dist Pole and Conductor Repair- Structure Coordinates- Caguas Group 8 -Rev1.pdf.*

For location maps and pictures, please refer to the document labeled: *334527-Appendix B-Dist Pole and Conductor Repair - Maps and Pictures- Caguas Group 8 -Rev1.pdf.*

Cost Estimate:

The estimated costs (Class 3 Accuracy +/-30%) to complete the works related to the DI# 661706 – Humacao T.C. 13kV/Feeder 2603-08 are captured in the table below. The cost estimate was developed utilizing preliminary Architectural and Engineering design information and may be subject to change. LUMA has allocated 10% of the project cost for the mitigation of potential known risks.

Feeder 2603-08	
Planning Permits & Applications	\$ 1,558
Environmental Management	\$ 2,226
Engineering - 10% (FAASt 335168)	\$ 3,802
Project Management -5 %	\$ 1,901
Distribution Line	\$ 38,021
Contingency - 10%	\$ 4,751
Total	\$ 52,259

DI# 661706 Work to be Completed (WTBC): \$52,259 - \$3,802 (FAASt A&E 335168) = \$48,457

Total Project Cost (All DI's): \$117,387 - \$8,540 (FAASt A&E 335168) = \$108,847.00

Feeder 2603-08 & Feeder 3701-03	
Planning Permits & Applications	\$ 3,500
Environmental Management	\$ 5,000
Engineering - 10% (FAASt 335168)	\$ 8,540
Project Management -5 %	\$ 4,270
Distribution Line	\$ 85,405
Contingency - 10%	\$ 10,672
Total	\$ 117,387

For detailed cost estimate, please refers to document labeled: 334527-Appendix H -Dist Pole and Conductor Repair-Detail Cost Estimate - Caguas Group 8 Rev1.pdf.

Project Notes

1. Refer to detailed SOW provided in document: 334527-DR4339PR-Detailed SOW-Distribution Pole and Conductor Repair Caguas-Group 8 Rev2.pdf.
2. For the Distribution Line total project cost clarification (\$85,405), please refers to document labeled: [334488] FAASt [Distribution Feeders - Caguas Short Term Group 4] (Distribution) [334527] FAASt [Distribution Feeders - Caguas Short Term Group 8] (Dis.pdf
3. Architectural and Engineering (A&E) costs are deducted given previously obligated Global A&E Project for the subject FAASt PREPA

work (see project: 335158 - FAAsT A&E PREPA).

406 HMP Scope

Project number: 334527

Damage #661706; FAAsT [2603 - 08 Humacao T.C. 13 kV]

Applicant: PR Electric Power Authority (000-UA2QU-00)

Location: Humacao, Puerto Rico

Start GPS Latitude/Longitude: [REDACTED]; End GPS Latitude/Longitude: [REDACTED]

Hazard Mitigation Narrative

During the incident period from September 17, 2017, to November 15, 2017, the Commonwealth of Puerto Rico experienced hurricane-force winds, heavy rain, flooding and power outage "loss of power" from Hurricane Maria. The incident caused damage to the electrical system, such as the power generation plants, transmission and distribution lines, substations, communication systems, buildings, among other damages to the infrastructures owned, operated, and maintained by the Puerto Rico Electric Power Authority (PREPA).

➤ **Project #334527 (Version 0) [Distribution Critical Poles & Conductors Repair/Replacement].**

The Caguas Short Term Group 8 consists of 2 interconnected and inter-functional distribution feeders (sites) establish the electrical distribution system as follows: Humacao T.C. 13 kV. (2603-08), and Aguas Buenas (3701-03).

The Method of Repair (MOR) [**Version 0 (Distribution Critical Poles & Conductors Repair/Replacement)**] included the replacement of the damaged critical distribution poles (wood, concrete or galvanized), cross-arms, insulators, and all associated hardware needed for the new structure. According to the information provided by the Applicant, due to the high velocity hurricane winds, wind-blown debris, and prolonged heavy rain, were the main cause of the damages of the facilities.

In order to minimize the damages in a future event, the Applicant is proposing as a mitigation measure, increase the strength of the poles by increasing the wind tolerance to +160mph. Note: The FEMA Accelerated Award Strategy (FAAsT) MOR included the PREPA distribution standards and specifications that were based on a 145mph sustained winds. However, the new PREPA Standard 2021 updates the design-criteria to a 160mph sustained winds resistant. The +160mph wind tolerance mitigation measure, will protect and make the affected infrastructure more resistant, stronger, and resilient to similar hazards.

Hazard Mitigation Proposal (HMP) Scope of Work:

In order to prevent or reduce future damages from similar events, the applicant proposed the following mitigation measures:

Mitigation Measures (Replacement)

1. To avoid damage in a future event, the Applicant is proposing as a mitigation measure, increase the strength of the poles by increasing the wind tolerance of all materials to +160mph. The FAAsT MOR included the PREPA distribution standards and specifications that were based on a 145mph sustained winds. However, the new PREPA Standard 2021 updates the design-criteria to a 160mph sustained winds resistant. The above mitigation measures will protect and make the affected infrastructure more resistant, stronger, and resilient to similar hazards. Refer to Appendix J: Section VI.D.1 of the PAPPG V3.1.

➤ [Distribution Critical Poles Replacement] 406 Mitigation Scope:

1. **Feeder 2603-08 Scope:** Replace one (1) 65' concrete H6 pole by one (1) 70' galvanized steel S8 pole. **Note: Mitigation is accomplished with the PA cost method of repair (MOR).**

2. **Feeder 2603-08 Scope:** Replace one (1) 65' concrete H6 pole "self-support" concrete base $\{[(5'(L) \times 5'(W) \times 10'(D)) - (1.75'(L) \times 1.75'(W) \times 9'(D))]\} / 27 = 8.5$ CY; by one (1) 70' galvanized steel S8 pole "self-support" concrete base $\{[(5.5'(L) \times 5.5'(W) \times 12'(D)) - (2.75'(L) \times 2.75'(W) \times 11'(D))]\} / 27 = 10.5$ CY.

Hazard Mitigation Proposal (HMP) Cost:

Total Net Hazard Mitigation Cost (Base Cost) = \$2,540.00
+ HM (Applicant A&E, Management & General Conditions) = \$ 673.00
Hazard Mitigation Total Cost = \$ 3,213.00

HMP Cost-Effectiveness Calculations:

Eligible Cost of PA repair Scope of Work per DI: \$4,960.00
Net Cost of 406 HMP per DI: \$2,540.00

HMR = (Total Net Hazard Mitigation Cost / Project Net In-Kind Repair Cost) x 100
HMR = (\$2,540.00/ \$4,960.00) x 100 = 51.21%

The cost of this Hazard Mitigation Proposal (HMP) is **51.21%** of the repair or restoration costs and is deemed cost effective per FEMA Public Assistance Program and Policy Guide (PAPPG) V3.1 April2018, Chapter 2, VII., Section C, ___ 15%Rule, X 100% Rule, ___ BCA Rule. This Hazard Mitigation Proposal meets eligible repair and restoration cost effective requirements.

- * See Mitigation Profile Documents Tab for complete version of this HMP and supporting documents.
- * Due to GM system constraints in the Mitigation Profile Cost Tab, there may be a discrepancy in the total dollar amount of the mitigation proposal (or, the cost effectiveness statement) cited in the Cost Tab of the project(s). Whenever a difference between the Mitigation Cost Tab and the completed HMP cost occurs, the correct dollar amount of the grant proposal will default to the amount of 406 funding cited on the actual HMP document (and the Cost Summary Spreadsheet) uploaded into the Mitigation Profile Documents Tab.
- * This project Hazard Mitigation costing / soft cost / factor methodologies followed the same procedures provided in the cost estimates of the PA portion of the project.

661707 FAASt [3701 - 03 Aguas Buenas]

Introduction

The purpose of this document is to submit for approval the detailed Scope of Work ("SOW") to COR3 and FEMA for the Distribution Pole and Conductor Repair - Caguas Group 8 Project under DR-4339-PR Public Assistance. The document provides a description of the project including scope, schedule, and cost estimates as well as Environmental & Historical Preservation ("EHP") requirements and proposed 406 hazard mitigation work. LUMA Energy is seeking approval from COR3 and FEMA for project funding to repair, restore, or replace the eligible facilities.

LUMA submits this detailed SOW pursuant to the Transmission and Distribution Operations & Maintenance Agreement between Puerto Rico Electric Power Authority ("PREPA"), the Puerto Rico Public-Private Partnerships Authority ("P3A") and LUMA Energy, and in accordance with the Consent to Federal Funding Letter issued by PREPA and P3A and provided herein as Appendix F which collectively provides the necessary consent for LUMA Energy, as agent of PREPA, to undertake work in connection with any Federal Funding requests related to the Transmission and Distribution System submitted to FEMA.

Facilities

The facilities listed below are part of the feeder systems in the Caguas Region. These interconnected and inter-functional distribution feeders (sites) are part of the electrical distribution system. All the feeders originate from a substation (start) and serve customers along the route to

various locations (end). The coordinates shown as "GPS End" represent the end of the mainline backbone of each feeder.

Aguas Buenas - Feeder 3701-03

Name Feeder Number, GPS Start, GPS End, Phase Voltage Level (kV), and Construction Date, are provided in a table in Facilities section document labelled: *334527-DR4339PR-Detailed SOW-Distribution Pole and Conductor Repair Caguas-Group 8 Rev1.pdf, page 5/12.*

Proposed Scope of Work:

Feeder 3701-03 Scope:

A. Remove two 40ft wood poles and install two 50ft galvanized steel S8 poles in the same location. Cross arms, insulators and all associated hardware will also be replaced along with the new structure.

For detailed structure coordinates, please refers to document labeled: *334527-Appendix G -Dist Pole and Conductor Repair- Structure Coordinates- Caguas Group 8 -Rev1.pdf.*

For location maps and pictures, please refers to the document labeled: *334527-Appendix B-Dist Pole and Conductor Repair - Maps and Pictures- Caguas Group 8 -Rev1.pdf.*

Cost Estimate:

The estimated costs (Class 3 Accuracy +/-30%) to complete the works related to the DI# 661707 – Aguas Buenas/Feeder 3701-03 are captured in the table below. The cost estimate was developed utilizing preliminary Architectural and Engineering design information and may be subject to change. LUMA has allocated 10% of the project cost for the mitigation of potential known risks.

Feeder 3701-03	
Planning Permits & Applications	\$ 1,942
Environmental Management	\$ 2,774
Engineering - 10% (FAASt 335168)	\$ 4,738
Project Management -5 %	\$ 2,369
Distribution Line	\$ 47,384
Contingency- 10%	\$ 5,921
Total	\$ 65,128

DI# 661707 Work to be Completed (WTBC): \$65,128 - \$4,738 (FAASt A&E 335168) = \$60,390.00

For detailed cost estimate, please refers to document labeled: *334527-Appendix H -Dist Pole and Conductor Repair-Detail Cost Estimate - Caguas Group 8 Rev1.pdf.*

406 HMP Scope

Project number: 334527

Damage #661707; FAASt [3701 - 03 Aguas Buenas]

Applicant: PR Electric Power Authority (000-UA2QU-00)

Location: Aguas Buenas, Puerto Rico

Start GPS Latitude/Longitude: [REDACTED]; End GPS Latitude/Longitude: [REDACTED]

Hazard Mitigation Narrative

During the incident period from September 17, 2017, to November 15, 2017, the Commonwealth of Puerto Rico experienced hurricane-force winds, heavy rain, flooding and power outage "loss of power" from Hurricane Maria. The incident caused damage to the electrical system, such as the power generation plants, transmission and distribution lines, substations, communication systems, buildings, among other damages to the infrastructures owned, operated, and maintained by the Puerto Rico Electric Power Authority (PREPA).

➤ **Project #334527 (Version 0) [Distribution Critical Poles & Conductors Repair/Replacement].**

The Caguas Short Term Group 8 consists of 2 interconnected and inter-functional distribution feeders (sites) establish the electrical distribution system as follows: Humacao T.C. 13 kV. (2603-08), and Aguas Buenas (3701-03).

The Method of Repair (MOR) [Version 0 (Distribution Critical Poles & Conductors Repair/Replacement)] included the replacement of the damaged critical distribution poles (wood, concrete or galvanized), cross-arms, insulators, and all associated hardware needed for the new structure. According to the information provided by the Applicant, due to the high velocity hurricane winds, wind-blown debris, and prolonged heavy rain, were the main cause of the damages of the facilities.

In order to minimize the damages in a future event, the Applicant is proposing as a mitigation measure, increase the strength of the poles by increasing the wind tolerance to +160mph. Note: The FEMA Accelerated Award Strategy (FAASt) MOR included the PREPA distribution standards and specifications that were based on a 145mph sustained winds. However, the new PREPA Standard 2021 updates the design-criteria to a 160mph sustained winds resistant. The +160mph wind tolerance mitigation measure, will protect and make the affected infrastructure more resistant, stronger, and resilient to similar hazards.

Hazard Mitigation Proposal (HMP) Scope of Work:

In order to prevent or reduce future damages from similar events, the applicant proposed the following mitigation measures:

Mitigation Measures (*Replacement*)

1. To avoid damage in a future event, the Applicant is proposing as a mitigation measure, increase the strength of the poles by increasing the wind tolerance of all materials to +160mph. The FAASt MOR included the PREPA distribution standards and specifications that were based on a 145mph sustained winds. However, the new PREPA Standard 2021 updates the design-criteria to a 160mph sustained winds resistant. The above mitigation measures will protect and make the affected infrastructure more resistant, stronger, and resilient to similar hazards. Refer to Appendix J: Section VI.D.1 of the PAPPG V3.1.

➤ [Distribution Critical Poles Replacement] 406 Mitigation Scope:

- 1. Feeder 3701-03 Scope: Replace two (2) 45' concrete H4 poles by two (2) 50' galvanized steel S8 poles.

Hazard Mitigation Proposal (HMP) Cost:

Total Net Hazard Mitigation Cost (Base Cost) = \$ 9,218.00
+ HM (Applicant A&E, Management & General Conditions) = \$ 2,443.00
Hazard Mitigation Total Cost = \$ 11,661.00

HMP Cost-Effectiveness Calculations:

Eligible Cost of PA repair Scope of Work per DI: \$38,166.00

Net Cost of 406 HMP per DI: \$9,218.00

HMR = (Total Net Hazard Mitigation Cost / Project Net In-Kind Repair Cost) x 100

HMR = (\$9,218.00 / \$38,166.00) x 100 = **24.15%**

The cost of this Hazard Mitigation Proposal (HMP) is **24.15%** of the repair or restoration costs and is deemed cost effective per FEMA Public Assistance Program and Policy Guide (PAPPG) V3.1 April2018, Chapter 2, VII., Section C, ___ 15%Rule, _X_ 100% Rule, ___ BCA Rule. This Hazard Mitigation Proposal meets eligible repair and restoration cost effective requirements.

* See Mitigation Profile Documents Tab for complete version of this HMP and supporting documents.

* Due to GM system constraints in the Mitigation Profile Cost Tab, there may be a discrepancy in the total dollar amount of the mitigation proposal (or, the cost effectiveness statement) cited in the Cost Tab of the project(s). Whenever a difference between the Mitigation Cost Tab and the completed HMP cost occurs, the correct dollar amount of the grant proposal will default to the amount of 406 funding cited on the actual HMP document (and the Cost Summary Spreadsheet) uploaded into the Mitigation Profile Documents Tab.

* This project Hazard Mitigation costing / soft cost / factor methodologies followed the same procedures provided in the cost estimates of the PA portion of the project.

Cost

Code	Quantity	Unit	Total Cost	Section
3510 (3510 (Engineering And Design Services (FAASt Global A&E 335168)))	1.00	Lump Sum	(\$3,802.00)	Uncompleted
9201 (PAAP Fixed Estimate (No Value - Tracking Purposes Only))	1.00	Lump Sum	\$0.00	Completed
9001 (9001 (Contract (FAASt 136271)))	1.00	Lump Sum	\$52,259.00	Uncompleted
3510 (3510 (Engineering And Design Services (FAASt Global A&E 335168)))	1.00	Lump Sum	(\$4,738.00)	Uncompleted
9201 (PAAP Fixed Estimate (No Value - Tracking Purposes Only))	1.00	Lump Sum	\$0.00	Completed
9001 (9001 (Contract (FAASt 136271)))	1.00	Lump Sum	\$65,128.00	Uncompleted

CRC Gross Cost \$108,847.00

Total 406 HMP Cost \$14,874.00

Total Insurance Reductions \$0.00

CRC Net Cost \$123,721.00

Federal Share (90.00%) \$111,348.90

Non-Federal Share (10.00%) \$12,372.10

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-10701(11886)	\$123,721.00	90 %	\$111,348.90	6/9/2022

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 all 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 declarations 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.
- The Subrecipient provided the estimate for this PW. FEMA validated the estimate and found it to be reasonable for the work to be performed.
- 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 all 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

5/27/2022

GENERAL INFORMATION

Event: DR4339-PR

Project: SP 334527

Category of Work: Cat F - Utilities

Applicant: PR Electric Power Authority

Event Type: Hurricane / Hurricane Maria

Cause of Loss: Wind / Wind Driven Rain

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

Total Public Assistance Amount: \$123,721.00 (Repairs Amount \$108,847.00 + Mitigation Amount \$14,874.00)

COMMERCIAL INSURANCE INFORMATION

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

Policies Issued by: Willis Towers Watson, Multinational Insurance Company and Mapfre

Policy Numbers: Willis Towers Watson (B0804Q1966F17, B0804Q14312F17, B0804Q19673F17, B0804Q19672F17, B0804Q18529F17, B0804Q14312F17, B0804Q19674F17, B0804Q18411F17, B0804Q14310F17, B0804Q11038F17, B0804Q14507F17, B0804Q14312F17)

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: No

NUMBER OF DAMAGED LOCATIONS INCLUDED IN THIS PROJECT: (2)

Damaged Inventory (DI) #661706:

FAASt [2603 - 08 Humacao T.C. 13 kV]

Location Description: 2603 - 08 Humacao T.C. 13 kV

GPS Coordinates: [REDACTED]

Cause of Loss: Wind / Wind Driven Rain

SOV / Schedule #: Not insured

SOV / Schedule Amount: Not insured

Applicable Deductible Amount: N/A

Damage Inventory Amount: \$51,670.00 (Repairs Amount \$48,457.00 + Mitigation Amount \$3,213.00)

-

Prior Obtain and Maintain Requirement:

No prior insurance requirements were found for this facility.

-

Reduction(s):

No insurance reduction will be applied to this project as coverage is not anticipated. An anticipated insurance reduction of \$193,746,436.00 was applied to FAAST project # 136271 for anticipated insurance proceeds for Hurricane Maria losses. For ease of reference, please see table of insurance allocations: "PREPA Allocation Plan – All Disasters" file.

-

Obtain and Maintain Requirement:

No Obtain & Maintain Requirement is being mandated for the FAAST [2603 - 08 Humacao T.C. 13 kV] because the facility does not meet the definition of building, equipment, contents, or vehicle.

Damaged Inventory (DI) #661707:

FAAST [3701 - 03 Aguas Buenas]

Location Description: 3701 - 03 Aguas Buenas

GPS Coordinates: Start [REDACTED]

Cause of Loss: Wind / Wind Driven Rain

SOV / Schedule #: Not insured

SOV / Schedule Amount: Not insured

Applicable Deductible Amount: N/A

Damage Inventory Amount: \$72,051.00 (Repairs Amount \$60,390.00 + Mitigation Amount \$11,661.00)

-

Prior Obtain and Maintain Requirement:

No prior insurance requirements were found for this facility.

-

Reduction(s):

No insurance reduction will be applied to this project as coverage is not anticipated. An anticipated insurance reduction of \$193,746,436.00 was applied to FAAST project # 136271 for anticipated insurance proceeds for Hurricane Maria losses. For ease of reference, please see table of insurance allocations: "PREPA Allocation Plan – All Disasters" file.

-

Obtain and Maintain Requirement:

No Obtain & Maintain Requirement is being mandated for the FAAST [3701 - 03 Aguas Buenas] because the facility does not meet the

definition of building, equipment, contents, or vehicle.

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.

Standard Insurance Comments

FEMA Policy 206-086-1

PART 2: Other Insurance-Related Provisions. (Sections 312 and 406(d) of the Stafford Act)

A. Duplication of Benefits. FEMA cannot provide assistance for disaster-related losses that duplicate benefits available to an applicant from another source, including insurance.

1. Before FEMA approves assistance for a property, an applicant must provide FEMA with information about any actual or anticipated insurance settlement or recovery it is entitled to for that property.
2. FEMA will reduce assistance to an applicant by the amount of its actual or anticipated insurance proceeds.
3. Applicants must take reasonable efforts to recover insurance proceeds that they are entitled to receive from their insurer(s).

Jean-Carlo Echevarria, PA Insurance Specialist, CRC Atlantic, Guaynabo, PR

O&M Requirements

There are no Obtain and Maintain Requirements on **FAASt [Distribution Feeders - Caguas Short Term Group 8] (Distribution)**.

406 Mitigation

There is no additional mitigation information on **FAASt [Distribution Feeders - Caguas Short Term Group 8] (Distribution)**.

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 all federal, state and local requirements. Acceptance of federal funding requires recipient to comply with all federal, state and local laws. Failure to obtain all 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.
- Endangered Species Act (ESA) - The Applicant must provide documentation at close-out that proves completion of required Conservation Measures.
- Endangered Species Act (ESA) - Conditions for the Puerto Rican Boa
 1. Inform all personnel about the potential presence of the PR boa and the VI boa in areas where the proposed work will be conducted. Photographs of the PR and VI Boa are to be prominently displayed at the site. The recipient must ensure that project personnel is able to correctly identify a PR or VI boa. For information on PR boa, please visit: <https://ecos.fws.gov/ecp/species/6628>.
 2. Prior to any construction activity, including removal of vegetation and earth movement, the boundaries of the project area must be delineated, buffer zones, and areas to be excluded and protected, should be clearly marked in the project plan and in the field to avoid further habitat degradation into forested areas. Once areas are clearly marked, and prior to any construction activity, including site preparation, project personnel able to correctly identify a PR or VI boa must survey the areas to be cleared to ensure that no boas are present within the work area. Vehicle and equipment operation must remain on designated access roads/paths and within rights-of way.
 3. If a PR boa is found within any of the working or construction areas, activities should stop in the area where the boa was found. Do not capture the boa. If boas need to be moved out of harm's way, project personnel designated by the recipient shall immediately contact the Puerto Rico Department of Natural and Environmental Resources (PRDNER) Rangers for safe capture and relocation of the animal (PRDNER phone #: 787-724-5700, 787-230-5550, 787-771-1124). If immediate relocation is not an option, project-related activities at this area must stop until the boa moves out of harm's way on its own. Activities at other work sites, where no boas have been found after surveying the area, may continue.
 4. Measures should be taken to avoid and minimize PR boa casualties by heavy machinery or motor vehicles being used on site. Any heavy machinery left on site (staging) or near potential PR boa habitat (within 50 meters of potential boa habitat), needs to be thoroughly inspected each morning before work starts to ensure that no boas have sheltered within engine compartments or other areas of the equipment. If PR boas are found within vehicles or equipment, do not capture the animal and let it move on its own or call PRDNER Rangers for safe capture and relocation of the boa (PRDNER phone #: 787-724-5700, 787-230-5550, 787-771-1124). If not possible, the animal should be left alone until it leaves the vehicle on its own.
 5. PR boas may seek shelter in debris piles. Measures should be taken to avoid and minimize boa casualties associated with sheltering in debris piles as a result of project activities. Debris piles should be placed far away from forested areas. Prior to moving, disposing or shredding, debris piles should be carefully inspected for the presence of boas. If PR boas are, found within debris piles, do not capture the animal and let it move on its own or call PRDNER Rangers for safe capture and relocation of the animal. If debris piles will be left on site, we recommend they be placed in areas that will not be disturbed in the future.
 6. For all boa sightings (dead or alive), personnel designated by the recipient must record the time and date of the sighting and the specific location where the boa was found. Data should also include a photo of the animal dead or alive, and site GPS coordinates, and comments on how the animal was detected and its behavior. If the PR boa was accidentally killed as part of the project actions, please include information on what conservation measures had been implemented and what actions will be taken to avoid further killings. All boa-sighting reports should be sent to the USFWS Caribbean Ecological Services Field Office, Marelisa Rivera - Deputy Field Supervisor, 787- 851-7297 extension 206, 787-510-5207, marelisa_rivera@fws.gov.
- Endangered Species Act (ESA) - Conditions for the Coquí guajón.
 - a. Inform all project personnel about the potential presence of the coquí guajón in areas where the proposed work will be conducted. A pre -construction meeting shall be conducted to inform all project personnel about the requirement of avoiding harm to the species. An educational poster or sign with photos or illustrations of the species should be displayed at the project site.
 - b. Project boundaries, buffer zones and areas to be excluded or protected shall be clearly marked in the project plans and in the field, prior to any construction activity, including removal of vegetation and earth movement.
 - c. Erosion and Sedimentation Control Best Management Practices (BMP's) shall be included in the project scope of work when working within or adjacent to the coquí guajón habitat (e.g. rivers, streams, drainages, ravines, big boulder areas) to avoid or minimize erosion and sedimentation. Sediment runoff from the project can adversely affect the species and its habitat by filling the caves and crevices where the species occurs and uses to lay its eggs. As water is a very important component of the species' habitat, any stream, creek, or similar body of water with the habitat characteristics indicated above may harbor the species, hence it shall be protected to the maximum extent possible.
 - d. All project associated with streams, rivers, bridges, culverts, etc., shall follow the Post-Disaster Guidance for Repair, Replacement, and Clean-up Projects in Streams and Waterways of Puerto Rico from Hurricane María. The guide is available at: [i. https://www.fws.gov/southeast/pdf/guidelines/post-disaster-guidance-for-projects-in-streams-and-waterways-of-puerto-rico.pdf](https://www.fws.gov/southeast/pdf/guidelines/post-disaster-guidance-for-projects-in-streams-and-waterways-of-puerto-rico.pdf)
- Resource Conservation and Recovery Act, aka Solid Waste Disposal Act (RCRA) - 1. 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. 2. If transformers: The applicant is responsible to ensure damaged transformers are handled, managed and disposed of in accordance with all federal and state laws and requirements. Downed electrical equipment may contain toxic and hazardous materials, such as polychlorinated biphenyls (PCBs), and may spill these materials if a rupture occurs. Applicant is responsible for screening transformers that do or may contain PCBs and the area where any related spill occurred. The applicant is then responsible to handle, manage, dispose of, or recycle damaged equipment and contaminated soil as appropriate. Where possible, temporary measures should be implemented to prevent, treat, or contain further releases or mitigate the migration of PCBs into the environment. If damaged equipment or material storage containers must be stored temporarily, containers should be placed on hardened surface areas, such as a concrete or an asphalt for no more than 90 days. Excavated contaminated material should be disposed of in accordance with federal and state laws and requirements. 3. Unusable equipment, debris, white goods, scrap metal any other material 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 petroleum products, hazardous materials and toxic waste in accordance to the requirements of the local and federal agencies. Noncompliance with these requirements may jeopardize receipt of federal funds.

EHP Additional Info

There is no additional environmental historical preservation on **FAASt [Distribution Feeders - Caguas Short Term Group 8] (Distribution)**.

Final Reviews

Final Review

Reviewed By MARTINEZ SANTIAGO, ISRAEL

Reviewed On 06/01/2022 3:38 PM AST

Review Comments

FEMA Final completed. Project ready for Recipient Review.

Recipient Review

Reviewed By Salgado, Gabriel

Reviewed On 06/01/2022 3:54 PM AST

Review Comments

Recipient review completed. Project is ready for Applicant review.

Fixed Cost Offer

As a Public Assistance (PA) Subrecipient PR Electric Power Authority (000-UA2QU-00), in accordance with Section 428 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Applicant agrees to accept a permanent work subaward based on a Fixed Cost Offer in the amount of \$123,721.00 for subaward number 10701 under Disaster # 4339. The Applicant accepts responsibility for all costs above the Fixed Cost Offer.

The Applicant understands that by participating in this pilot program they will be reimbursed for allowable costs in accordance with 2 CFR Part 200, and the reimbursement will not exceed the Fixed Cost Offer. The Applicant also understands that by agreeing to this Fixed Cost Offer, they will not receive additional funding related to the facilities or sites included in the subaward. The Applicant also acknowledges that failure to comply with the requirements of applicable laws and regulations governing assistance provided by FEMA and the PA Alternative Procedures Pilot Program Guidance (such

as procurement and contracting; environmental and historic preservation compliance; and audit and financial accountability) may lead to loss of federal funding.

Project Signatures

Signed By Nieves, Ezequiel

Signed On 06/08/2022

Department of Homeland Security Federal Emergency Management Agency

General Info

Project #	673691	PW#	10710	Project Type	Specialized	
Project Category	F - Utilities	Applicant	PR Electric Power Authority (000-UA2QU-00)			
Project Title	FAASt [Equipment and Materials]				Event	4339DR-PR (4339DR)
Project Size	Large	Declaration Date	9/21/2017			
Activity Completion Date	3/21/2019	Incident Start Date	9/17/2017			
Process Step	Obligated	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 #1231434; FAASt [Equipment and Materials]

DDD for this facility codified in the 136271 - MEPA078 Puerto Rico Electrical Power Authority Island Wide FAASt Project.

General Facility Information:

- **Facility Type:** Power generation, transmission, and distribution facilities
- **Facility:** Equipment and Materials
- **Facility Description:** List of damaged equipment and components throughout PREPA's facilities that are covered under the PREPA FAASt project:
 - Transmission 1. 2,491 circuit miles of overhead transmission lines 2. 37 miles of underground 115 kV cable 3. 63 miles of underground 38 kV 4. 22.59 miles of submarine 38 kV cable to the islands of Vieques and Culebra 5. Transmission poles and towers 6. Conductors 7. Insulators 8. Anchors 9. Hardware 10. OPGW/OHSW • Substations 1. 339 substations 2. 53 Transmission Centers 3. Transformers 4. Circuit breakers 5. Control houses 6. Mobile substations • Distribution 1. 182,985 transformers 2. 13,367 miles of overhead feeders/conductors 3. 3,439 miles of underground feeders/conductors 4. 342,569 damaged streetlights 5. 45,811 power poles 6. 51,660 power line hardware - cross arms, insulators, fuses, lighting arresters, guy wires with anchors, grounding rods, etc • Telecoms 1. 478.3 linear miles of Fiber Optics 2. 108 Microwave Networks antennas 3. Information Technology (IT) in 34 facilities 4. 920 batteries 5. 15 weather stations 6. 23 generators • Generation 1. 12 power plants 2. Turbines 3. Cooling towers 4. Demin water tanks 5. Heat exchangers
- **Approx. Year Built:** 1950
- **Location Description:** Islandwide
- **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

Work To Be Completed

This FAASt Sub-Project is for the Subrecipient to purchase the selected materials and equipment to eliminate, or at least minimize, any potential construction schedule impacts. The Subrecipient submitted an initial itemized list of materials and equipment that are currently seeing inventory shortages, have long lead times and/or could be impacted by future events. Table 1 is attached and contains the itemized list along with pricing based on actual vendor quotations as well as publicly available prevailing prices (see uploaded document: *673691-DR4339-Long Lead Items T&D Rev.1.pdf*).

Material and equipment utilization would be tracked project by project and would ensure that items assigned for a particular project are not used elsewhere as outlined and approved under the FAASt obligated FEMA funding.

This Scope of Work (SOW) and Cost Estimate may be versioned once the storage and staging areas are determined by the Subrecipient. Applicant will include respective requirements relating to Environmental and Historic Preservation (EHP).

Cost Estimate: Equipment and Materials

- A. Distribution System
- B. Transmission System
- C. Major Equipment (mostly Substations)
- D. Telecommunication System

Work to be Completed (WTBC): **\$656,101,430**

Project Notes

1. For additional scope of work information please refer to uploaded document: *673691-DR4339PR-PREPA FAASt Electrical Components Project - Final SOW.pdf*.
2. For additional cost estimate information please refer to uploaded document: *673691-DR4339-Long Lead Items T&D Rev.1.pdf*.
3. For additional SOW and Hazard Mitigation information please refer to comment by PDTFL uploaded on 26-May-2022: *This project is intended for the purchase of identified equipment and materials needed by the Applicant to comply with projected construction dates. Equipment and materials captured in this version have not been considered for Section 406 hazard mitigation measures. Hence, mitigation opportunities, if any, will be addressed in projects and identified in subsequent versions."*

406 HMP Scope

Project consist of equipment and Material procurement only. There is no HM opportunity for this project. Note: Part of these materials will be used as part of HM measures for another projects.

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 (funds from Parent Project 136271 MEPA078 Puerto Rico Electrical Power Authority Island Wide FAAS Project))	1.00	Lump Sum	\$656,101,430.00	Uncompleted

CRC Gross Cost \$656,101,430.00

Total 406 HMP Cost \$0.00

Total Insurance Reductions \$0.00

CRC Net Cost \$656,101,430.00

Federal Share (90.00%) \$590,491,287.00

Non-Federal Share (10.00%) \$65,610,143.00

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-10710(11887)	\$656,101,430.00	90 %	\$590,491,287.00	6/9/2022

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 all 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 declarations 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.
- The Subrecipient provided the estimate for this PW. FEMA validated the estimate and found it to be reasonable for the work to be performed.
- 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 all 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

5/31/2022

GENERAL INFORMATION

Event: DR4339-PR

Project: SP 673691

Category of Work: Cat F - Utilities

Applicant: PR Electric Power Authority

Event Type: Hurricane / Hurricane Maria

Cause of Loss: Wind / Wind Driven Rain

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

Total Public Assistance Amount: Repairs Amount \$656,101,433.00

COMMERCIAL INSURANCE INFORMATION

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

Policies Issued by: Willis Towers Watson, Multinational Insurance Company and Mapfre

Policy Numbers: Willis Towers Watson (B0804Q1966F17, B0804Q14312F17, B0804Q19673F17, B0804Q19672F17, B0804Q18529F17, B0804Q14312F17, B0804Q19674F17, B0804Q18411F17, B0804Q14310F17, B0804Q11038F17, B0804Q14507F17, B0804Q14312F17)

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 \$25,000,000.00

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

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

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

Damaged Inventory (DI) #1231434:

FAASt [Equipment and Materials]

Location Description: Islandwide

GPS Coordinates: [REDACTED]

Cause of Loss: Wind / Wind Driven Rain

SOV / Schedule #: As per policy

SOV / Schedule Amount: As per policy

Applicable Deductible Amount: As per policy

Damage Inventory Amount: Repairs Amount \$656,101,433.00

-

Prior Obtain and Maintain Requirement:

No prior insurance requirements were found for this facility.

-

Reduction(s):

No insurance reduction will be applied to this project. An anticipated insurance reduction of \$193,746,436.00 was applied to FFAST project # 136271 for anticipated insurance proceeds for Hurricane Maria losses. For ease of reference, please see table of insurance allocations: "PREPA Allocation Plan – All Disasters" file.

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Obtain and Maintain Requirement:

An Obtain & Maintain Requirement is being required for Equipment, for the peril of Wind (all wind associated losses including "wind driven rain" for the FFAST [Equipment and Materials] in the amount of \$391,029,600.00 (Repairs Amount \$656,101,433.00 – Uninsurable Items Amount (Distribution & Transmission System) \$265,071,833.00). Please see "Scope & Cost Summary Tab".

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.

Standard Insurance Comments

FEMA Policy 206-086-1

PART 2: Other Insurance-Related Provisions. (Sections 312 and 406(d) of the Stafford Act)

A. Duplication of Benefits. FEMA cannot provide assistance for disaster-related losses that duplicate benefits available to an applicant from another source, including insurance.

1. Before FEMA approves assistance for a property, an applicant must provide FEMA with information about any actual or anticipated insurance settlement or recovery it is entitled to for that property.
2. FEMA will reduce assistance to an applicant by the amount of its actual or anticipated insurance proceeds.
3. Applicants must take reasonable efforts to recover insurance proceeds that they are entitled to receive from their insurer(s).

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 (i.e., "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 \$5,000.00. 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:

1. 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
2. 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.

Jean-Carlo Echevarria, PA Insurance Specialist, CRC Atlantic, Guaynabo, PR

O&M Requirements

Insured Peril	Item Type	Description	Required Coverage Amount
Wind	Equipment	An Obtain & Maintain Requirement is being required for Equipment, for the peril of Wind (all wind associated losses including "wind driven rain" for the FAASt [Equipment and Materials] in the amount of \$391,029,600.00.	\$391,029,600.00

406 Mitigation

There is no additional mitigation information on **FAASt [Equipment and Materials]**.

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 all federal, state and local requirements. Acceptance of federal funding requires recipient to comply with all federal, state and local laws. Failure to obtain all 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.
- Staging areas hasn't been identified yet for work to be completed. All staging areas must be identified and must be provided, before or at close-out. Storage activities must occur on previously disturbed land or in existing facilities.

EHP Additional Info

There is no additional environmental historical preservation on **FAASt [Equipment and Materials]**.

Final Reviews

Final Review

Reviewed By MARTINEZ SANTIAGO, ISRAEL

Reviewed On 06/02/2022 11:53 AM AST

Review Comments

FEMA Final Review completed. Project Ready for Recipient Review.

Recipient Review

Reviewed By Salgado, Gabriel

Reviewed On 06/02/2022 12:13 PM AST

Review Comments

Recipient review completed. Project is ready for applicant review.

Fixed Cost Offer

As a Public Assistance (PA) Subrecipient PR Electric Power Authority (000-UA2QU-00), in accordance with Section 428 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, the Applicant agrees to accept a permanent work subaward based on a Fixed Cost Offer in the amount of \$656,101,430.00 for subaward number 10710 under Disaster # 4339. The Applicant accepts responsibility for all costs above the Fixed Cost Offer.

The Applicant understands that by participating in this pilot program they will be reimbursed for allowable costs in accordance with 2 CFR Part 200, and the reimbursement will not exceed the Fixed Cost Offer. The Applicant also understands that by agreeing to this Fixed Cost Offer, they will not receive additional funding related to the facilities or sites included in the subaward. The Applicant also acknowledges that failure to comply with the requirements of applicable laws and regulations governing assistance provided by FEMA and the PA Alternative Procedures Pilot Program Guidance (such as procurement and contracting; environmental and historic preservation compliance; and audit and financial accountability) may lead to loss of federal funding.

Project Signatures

Signed By Nieves, Ezequiel

Signed On 06/07/2022