

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

**NEPR**

**Received:**

**Jun 8, 2022**

**6:55 PM**

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

**CASE NO.:** NEPR-MI-2021-0002

**SUBJECT:** Supplemental Motion to Submit  
Contracts of Aguirre Power Plant  
Infrastructure Repairs and Cambalache  
Power Plant Permanent Repairs

**SUPPLEMENTAL MOTION TO SUBMIT CONTRACTS OF AGUIRRE POWER  
PLANT INFRASTRUCTURE REPAIRS AND CAMBALACHE  
POWER PLANT PERMANENT REPAIRS**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

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

1. On June 5, 2022, PREPA submitted to the Energy Bureau of the Public Service Regulatory Board of Puerto Rico (“Energy Bureau”) a document titled *Motion to Inform Approval of Aguirre Power Plant Infrastructure Repairs and Cambalache Power Plant Permanent Repairs* (“June 5 Motion”).

2. With the June 5 Motion, PREPA informed the Energy Bureau that the Federal Emergency Management Administration (FEMA) approved the reimbursement of repair infrastructure projects in the Aguirre Power Plant (“Aguirre Infrastructure Repairs”) and the Cambalache Power Plant Permanent Repairs (“Cambalache Permanent Repairs”).<sup>1</sup> PREPA also submitted the assigned PWs 10571 and 10607 for federal financing and reimbursement for each project.

3. The December 20, February 10, and March 9 orders, among other things, provide that

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<sup>1</sup> Both repair projects were approved by the Energy Bureau. See, *Resolution and Order* issued by the Energy Bureau on February 10, 2022 (the “February 10 Order”); *Resolution and Order* issued on March 9, 2022 (the “March 9 Order”) approving the Aguirre Infrastructure Repairs and *Resolution and Order* entered on December 20, 2021 (“December 20 Order”) approving the Cambalache Permanent Repairs.

PREPA must submit to the Energy Bureau copy of the approval by the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency and FEMA of the projects, which shall contain the costs obligated, within ten (10) days of receipt of such approval, and provide the Energy Bureau the actual contracted costs to construct the projects. *See* December 20 Order at p. 3, Sec. IV; February 10 Order at p. 3, Sec. III; and March 9 Order at p. 6, Sec. IV.

4. In compliance with the December 20, February 10, and March 9 orders, PREPA informs that it has entered into one (1) agreement for works related to replacing the turbo generator in the Aguirre Power Plant, which is part of the Aguirre Infrastructure Repairs. Attachment A. PREPA also informs that it has entered into nine (9) agreements for the works in the Cambalache Permanent Repairs. Attachment B.

WHEREFORE, PREPA respectfully requests the Honorable Energy Bureau to find PREPA in compliance with the December 20, February 10, and March 9 orders and take notice of the executed agreements related to the work performed for the Aguirre Infrastructure Repairs and the Cambalache Permanent Repairs.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 8<sup>th</sup> day of June 2022.

/s/ Katuska Bolaños-Lugo  
Katuska Bolaños-Lugo  
[kbolanos@diazvaz.law](mailto:kbolanos@diazvaz.law)  
TSPR 18,888

Maralíz Vázquez-Marrero  
[mvazquez@diazvaz.law](mailto:mvazquez@diazvaz.law)  
TSPR 16,187

**DÍAZ & VÁZQUEZ LAW FIRM, P.S.C.**  
290 Jesús T. Piñero Ave.  
Oriental Tower, Suite 803  
San Juan, PR 00918  
Tel.: (787) 395-7133  
Fax. (787) 497-9664

### **CERTIFICATE OF SERVICE**

It is hereby certified that, on this same date, I have filed the above motion with the Office of the Clerk of the Energy Bureau using its Electronic Filing System at <https://radicacion.energia.pr.gov/login>, and a courtesy copy of the filing was sent to LUMA through its legal representatives at [margarita.mercado@us.dlapiper.com](mailto:margarita.mercado@us.dlapiper.com) and [laura.rozas@us.dlapiper.com](mailto:laura.rozas@us.dlapiper.com).

In San Juan, Puerto Rico, this 8<sup>th</sup> day of June 2022.

## **Attachment A**





Contract ID 00091851

Contract Release

Execution Date 12/27/21

Printed 12/27/21

**PUERTO RICO ELECTRIC  
POWER AUTHORITY**

2022-P00043

**Contract**

**Mail Invoice To:**

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

**Vendor:**

ORLANDO SOTO  
GE STEAM POWER CARIBE INC  
EL MUNDO OFFICE BUILDING  
SUITE 205 383 FD ROOSEVELT AVE  
HATO REY PR 00918

**Please Direct Inquiries To:**

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

**Work Location:**

OFICIAL PROTECCION  
CENTRAL AGUIRRE  
BO. MONTESORIA KM. 152.3  
APARTADO 137  
AGUIRRE PR 00704

**Title**

AGUIRRE 1 TURBINE - GENERATOR MAJOR INSPECTION

**Contract Value**

Total Value	\$ 8,643,668.5200 USD	** NOT TO EXCEED **
Pricing Method	ESTIMATE	
Contract Type	SERVICES	Start Date 12/27/21
Project		End Date 12/31/22



Contract ID 00091851

Contract Release


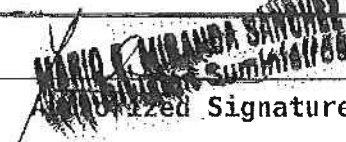
Execution Date 12/27/21

Printed 12/27/21

# PUERTO RICO ELECTRIC POWER AUTHORITY

## Contract

### Signatures

 Vendor Authorized Signature Orlando Soto / Senior Sales Manager, CAC Region Printed Name/Title 12/28/2021 787-999-6406 Date Signed Phone	 Authorized Signature Mario E. Miranda - Jefe División de Suministros Printed Name/Title 12-27-2021 787-521-4988 Date Signed Phone
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S.S

### Scope of Work

ORDEN DE SERVICIO, MATERIALES Y EQUIPOS

REQ. 250839

RFP 00003289

AGUIRRE 1 TURBINE - GENERATOR MAJOR INSPECTION

SE ADJUDICA ESTA ORDEN DE ACUERDO A NUESTRAS ESPECIFICACIONES, TÉRMINOS, CONDICIONES Y A SUS PROPUESTAS 1260395 REV. 3 Y 1276986 REV. 6 DEL 23 DE DICIEMBRE DE 2021 SOLICITADOS PARA LA NEGOCIACIÓN DIRECTA RFP 00003289.

INFORMACION DE PERSONA CONTACTO AEE:

ING. JAIME A. UMPIERRE MONTALVO

TEL. 787-521-4832

E-MAIL: JAIME.UMPIERRE@PREPA.COM

COMPRADOR:

JOEL D. PANTOJAS CARABALLO

SUPERVISOR DE COMPRAS PRINCIPAL

TEL. 787-521-2969

E-MAIL: JOEL.PANTOJAS@PREPA.COM



Contract ID 00091851  
Contract Release  
Execution Date 12/27/21  
Printed 12/27/21

## PUERTO RICO ELECTRIC POWER AUTHORITY

### Contract

#### Scope of Work

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SUPLIDOR: GE STEAM POWER CARIBE, INC.

TEL. 787- 999-6410

DESGLOSE DE COSTOS:

UNIT 1 SERVICES:

1. PO FORMALIZATION: 15% (\$733,458.81)
2. MOBILIZATION TO SITE: 35% (\$1,711,403.88)
3. END OF SERVICES ON SITE: 50% (2,444,862.69)

TOTAL: \$4,889,725.38

UNIT 1 PARTS:

1. PO FORMALIZATION: 15% (\$563,091.47)
2. PARTS READY TO SHIPMENT COMPLETION: 35% (\$1,313,880.10)
3. PARTS DELIVERY TO SITE: 50% (1,876,971.57)

TOTAL: \$3,753,943.14

TOTAL SUM CONTRACT: \$8,643,668.52

NOTA ESPECIAL:

SE INCLUYE COMO ANEJO A ESTE CONTRATO LOS TÉRMINOS Y CONDICIONES Y LOS REQUERIMIENTOS DE CONTRATACIÓN FEDERAL Y ESTATAL PARA REEMBOLSOS DE FEMA. ADEMÁS, SE INCLUYE EL APPENDIX B: CERTIFICATION REGARDING LOBBYING FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS; Y EL APPENDIX C: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION&LOWER-TIER COVERED TRANSACTIONS.

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\* \* \* End of Contract \* \* \*

**CONTRACT BETWEEN PUERTO RICO ELECTRIC POWER AUTHORITY AND  
GE STEAM POWER CARIBE, INC. FOR STEAM TURBINE MAJOR INSPECTION  
FOR AGUIRRE UNIT #1**

**WITNESSETH**

WHEREAS, the Puerto Rico Electric Power Authority ("PREPA"), by virtue of its enabling act (Act No. 83), has the authority to engage those professional, technical, and consulting services necessary and convenient to the activities, programs, and operations of PREPA;

WHEREAS, the GE Steam Power Caribe, Inc. ("Contractor") is ready, willing, and able to provide the Services and Products described herein pursuant to the terms and conditions set forth herein.

WHEREAS, pursuant to Section 205(2)(e) of Act No. 83, competitive bidding shall not be necessary when prices are noncompetitive because there is only one source of supply or they are regulated by law.

WHEREAS, financial assistance from the Federal Government may be available to PREPA to fund its costs incurred under this Contract;

WHEREAS, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 C.F.R. Part 200 apply to such financial assistance and impose certain contracting requirements;

IN CONSIDERATION of the mutual covenants hereinafter stated, the Parties agree themselves, their personal representatives, successors, and assignees, as follows:

**TERMS AND CONDITIONS**

**I. TYPE OF CONTRACT**

**A. Scope of Services and Approvals**

- (i) The Contractor will perform the services described in the Proposal 1260395 Rev. 3 and deliver the Products described in the Proposal 1276986 Rev. 06 (collectively, the "Proposal"), attached hereto as Appendix A, (the "Work").
- (ii) PREPA represents and guarantees and it has all approvals to enter into this Contract in accordance with the applicable public procurement laws and regulations.

**B. Additional Provisions Regarding the Work**

- (i) Any and all changes and/or modifications to the scope of the Work shall be in writing and must be signed by both Parties.
- (ii) The Contractor represents that it has or shall obtain, or cause to be obtained, all personnel necessary to undertake and provide the Work according to Contract specifications and scope of Work as included in the Proposal.
- (iii) The Contractor may not subcontract any of the Services that it has committed to perform or provide pursuant to this Contract without the prior written approval of the Chief Executive Officer of PREPA, or any of his or her authorized representatives. Such consent to subcontract shall not relieve the Contractor of its full responsibilities under this Contract. Consent to the subcontracting of any part of the services shall not be construed to be an approval of said subcontract or of any of its terms but shall operate only as an approval of the Contractor's request for execute a contract with its chosen subcontractor (hereinafter a "Subcontractor"). The Contractor shall be responsible for all Work performed by the Subcontractor and all such Work shall conform to the provisions of this Contract. The Parties agree that Work may be performed by employees of Contractor or any of its Affiliates, without prior approval. The compensation for Work rendered shall be consistent with the Proposal, regardless of whether employees of Contractor or its Affiliates perform the Work or whether the Work is performed by a Subcontractor. PREPA's consent of a Subcontractor shall not unreasonably be withheld or delayed, and Contractor will be entitled to an extension of time proportionally to the impact of such decision process.

**II. DEFINITIONS**

Whenever the words defined in this article or pronouns used instead are mentioned in this Contract, they shall have the meanings here given:

- (i) Affiliate: shall mean, with respect to Contractor, any other entity (including without limitation any corporation, limited liability company, association or trust) which is a wholly-owned subsidiary of the General Electric Company.
- (ii) Conflict of Interest: shall have the meaning ascribed to it in the Anti-corruption Code for the New Puerto Rico, No. 2-2018 (the "Puerto Rico Anti-corruption Code"), Section 3.1(b).

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- (iii) Contractor: has the meaning provided in the above recitals.
- (iv) Contracting Officer: shall mean the chief executive officer/executive director of PREPA, acting directly or through his or her properly authorized representatives.
- (v) Engineer: shall mean the PREPA's Director of Generation, acting directly or through his properly authorized representatives.
- (vi) Final Acceptance: shall mean the written approval by PREPA that the entire work has been completed.
- (vii) Products: shall mean the materials and products provided by Contractor in accordance with the Proposal.
- (viii) Services: shall mean the work, services and labor, including but not limited to any technical advisory services, craft labor, repair services, and/or training services, required to be provided by Contractor in accordance with the Proposal.
- (ix) Special Conditions: are all special requirements, regulations, and/or directions covering conditions peculiar to a particular service.
- (x) Subcontractor: shall mean any subcontractor, supplier, or vendor of Contractor engaged for the purposes of progressing the work under a subcontract with the Contractor and in which the Contractor has no equity interest or profit-sharing affiliation. Any such entity in which the Contractor owns equity or has a profit-sharing affiliation shall be considered to be the Contractor. Contractor shall comply with requirements set herein.
- (xi) Work: shall mean Services and Products, as the context requires.

### III. TERM OF CONTRACT; TERMINATION

#### A. Term

This Contract shall be in effect from the date of its execution until December 31<sup>st</sup>, 2022 (the "Contract Period").<sup>1</sup> The Contract may be extended, at the exclusive option of

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<sup>1</sup> Pursuant to Article 3(f) of Act 237-2004, government entities may not grant contracts that cover more than a fiscal year so as not to encumber future budgets. A contract may cover

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PREPA and subject to Contractor prior acceptance, for additional annual fiscal periods subject to the availability of funds. The Contractor expressly recognizes that in the event that there are no funds budgeted or provided for the payment of Work contracted herein, PREPA shall have the right to terminate the Contract, and the Contractor shall have no right to be paid except for the Work already performed and rendered to PREPA plus the amounts provided in Article III.C(ii).

The Parties acknowledge that PREPA is undergoing a transformation process, and therefore, both Parties agree that in the eventuality of the execution of a Partnership Contract, Sale Contract or any other PREPA Transaction (as these terms are defined in Act 120-2018), PREPA may sell, assign, convey, transfer, pledge, mortgage, sublease, delegate, hypothecate, or otherwise dispose (each, a "Transfer") any of its rights, title, or interest in this Agreement as permitted by applicable law and at any time, and without Contractor's consent or cost, expense or incremental liability to PREPA, to any future operator of Puerto Rico's electric power transmission and distribution system or any of its affiliates, or to any governmental agency, body, public corporation or municipality of Puerto Rico; provided, that PREPA shall notify Contractor no later than thirty (30) days before the effective date of any such Transfer.

The Contractor acknowledges that all his responsibilities and obligations under the Contract, such as Work to be performed and provided, etc., will continue in full force and effect until the expiration of the thirty (30) day period.

**B. Termination for Convenience**

Either party shall have the right to terminate this Contract for convenience, at any moment, by providing the other party thirty (30) days written notice by registered mail, return receipt requested, or overnight express mail. If notice is given, this Contract shall terminate upon the expiration of thirty (30) days and PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. The rights, duties and responsibilities of the Parties shall continue in full force and effect during the thirty (30) day notice period. Contractor shall have no further

two (2) fiscal years, but it shall be limited to twelve (12) months and include a clause specifying that it shall terminate with the close of the year and that it shall be extended for twelve (12) calendar months, provided the parties agree and that there are funds available in the appropriate budgetary item. As an exception, multi-annual government contracts shall be allowed when the service can be obtained more efficiently and economically and when they are essential to guarantee the public service

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right to compensation except for what has been accrued for Work rendered under this Contract until said date of effective termination plus the amounts provided in this Article III.C(i)(b).

**C. Termination for Cause**

(i) PREPA shall have the right to terminate this Contract immediately in the event of negligence, dereliction of duty, noncompliance, or material breach by the Contractor, to the extent Contractor shall have failed, within 30 days after receipt of the notice, to commence and diligently pursue cure of the breach such negligence, dereliction of duty, noncompliance, or material breach, or for any other reason described elsewhere in this Contract as a basis for termination. In the event the Contract is terminated by PREPA, PREPA shall be obligated to pay all fees and expenses incurred up to the day of effective termination, in accordance with the terms of this Contract. Also, if PREPA terminates the Contract pursuant to this article:

- a. Contractor shall reimburse PREPA the difference between that portion of the Contract Price allocable to the terminated scope and the actual amounts reasonably incurred by PREPA to complete that scope; and
- b. PREPA shall pay to Contractor (i) the portion of the Contract Price allocable to Products and/or Services completed and (ii) amounts for Work performed before the effective date of termination. The amount due for Work shall be determined in accordance with the milestone schedule (for completed milestones) and/or rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Contractor's then-current standard time and material rates.

Contractor shall have no further right to compensation except for what has been accrued for Work rendered under this Contract until said date of effective termination. The exercise of its right to terminate, cancel, or rescind the Contract shall not be understood as a waiver by PREPA to any other remedy it may have under this Contract or under the law for delays or breach incurred by the Contractor in the performance of its obligations under the Contract.

(ii) Contractor may suspend or terminate the Contract (or any affected portion thereof) immediately for convenience or for cause if PREPA (a) finds itself unable to fulfill its payment obligations, or (b) materially breaches the Contract, including,



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but not limited to, failure or delay in, making any payment when due, or fulfilling any payment conditions. In this case, PREPA shall pay to contractor (i) the portion of the Contract Price allocable to Work completed, (ii) lease fees incurred and clearly defined in the Proposal and (iii) amounts for Work performed before the effective date of termination. The amount due for Work shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Proposal. If this Contract is so terminated by Contractor, PREPA shall pay to Contractor (a) the portion of the Contract Price allocable to products and/or Work completed and (b) amounts for Work performed before the effective date of termination.

#### IV. COMPENSATION AND PAYMENT

- A. All invoices shall be subject to the Engineer's approval before being paid and shall include all other documents required in the Special Conditions. No invoices shall be accepted for evaluation without the required documents.
- B. As compensation for Work rendered under this Contract, PREPA agrees and Contractor accepts that the total amount to be paid under this Contract shall not exceed \$8,643,668.52 (the "Contract Amount"). This amount is based on the Proposal. However, nothing herein shall preclude the Parties from agreeing to increase the Contract Amount. PREPA will only pay for Work that are evidenced by properly submitted invoice for Work rendered. Notwithstanding the foregoing, any increase to the Contract Amount shall be evidenced in writing and signed by both Parties.
- C. In addition, Contractor shall present with each invoice a reasonably itemized list of the remaining billable work that is in progress under the Contract.
- D. All payments performed under this Contract will be charged to PREPA's budget account number 01-1071-31301-555-342-100000107026.
- E. Contractor payment will be performed according to the following:

Unit 1 Services:

- 1. Po Formalization: 15% (\$733,458.81)
- 2. Mobilization to Site: 35% (\$1,711,403.88)
- 3. End of Services on Site: 50% (2,444,862.69)

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Total: \$4,889,725.38

Unit 1 Parts:

1. Po Formalization: 15% (\$563,091.47)
2. Parts Ready to Shipment Completion: 35% (\$1,313,880.10)
3. Parts Delivery to Site: 50% (1,876,971.57)

Total: \$3,753,943.14

F. Payment is due within sixty (60) days of the receipt of the invoice with all the supporting documents required. PREPA reserves the right to conduct audits to verify time sheets, hours worked, performance of Work and delivery of Products in order to validate the accuracy of the amounts claimed in any invoice, provided that, this audit right shall not include any right to review costs incurred by Contractor, except for those costs for which Contractor is seeking direct reimbursement from PREPA.

G. Invoices must also include a written and signed certification stating that no officer or employee of PREPA, and their respective subsidiaries or affiliates, will personally derive or obtain any benefit or profit of any kind from this Contract, with the acknowledgment that invoices that do not include this certification will not be paid. This certification must read as follows:

*We certify under penalty of absolute nullity that no public servant of PREPA is a party or has any interest in the benefit or profit product of the Contract which is the basis of this invoice. If such benefit or profit exists, the required waiver has been obtained prior to entering into the Contract. The only consideration to be received in exchange for the delivery of Work provided is the agreed-upon price that has been negotiated with an authorized representative of PREPA. The total amount shown on this invoice is true and correct. The Work have been rendered, and no payment has been received.*

H. Contractor shall submit bank account wiring instructions to PREPA on or before submission of its first invoice in order to facilitate payment by means of electronic transfer.

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- I. As required by Act 48-2013, as amended, PREPA will withhold a special contribution of one-point five percent (1.5%) of the gross amounts paid under this Contract.
- J. In compliance with Executive Order 1991 OE- 24; and C.F.R. Part 404 et. seq., the Contractor will be responsible for rendering and paying the Federal Social Security and Income Tax Contributions for any amount owed as a result of the income, from this Contract.
- K. PREPA shall deduct and withhold seven percent (10%) of any and all payments to residents of the Commonwealth of Puerto Rico as required by the Internal Revenue Code of Puerto Rico. In case of U.S. citizens and non-U.S. citizens, which are nonresidents of the Commonwealth of Puerto Rico, the Contractor will retain twenty percent (20%) and twenty-nine percent (29%) respectively. PREPA will remit such withholdings to the Government of Puerto Rico's Treasury Department (*Departamento de Hacienda de Puerto Rico*). The Contractor will request PREPA not to make such withholdings if, to the satisfaction of PREPA, the Contractor timely provides a release from such obligation by the Government of Puerto Rico's Treasury Department. 3 L.P.R.A. § 8611 et seq.

**V. CONFLICTS OF INTEREST**

- A. To be best of its knowledge, Contractor acknowledges that in the performance of Work pursuant to this Contract, it has an obligation to comply with the applicable law, including but not limited to, the Conflict of Interest provisions contained in the Puerto Rico Anti-corruption Code, Sections 3.2(h) and 3.2(n). This duty shall include the continued obligation to disclose to PREPA any Conflicts of Interests (e.g., a situation in which a personal or financial interest is or could reasonably be incompatible with the public interest) identified during the term of this Contract.
- B. Conflict of Interest by one of Contractor's partners, members, directors, executives, officers, clerks or employees shall be attributed to Contractor for purposes of this prohibition. Contractor shall endeavor to avoid even the appearance of the existence of a conflict of interest that has not otherwise been waived.
- C. Contractor acknowledges the power of the Chief Executive Officer of PREPA to oversee the enforcement of the prohibitions established herein. If the Chief Executive Officer of PREPA determines the existence or the emergence of conflict of interest with Contractor, he or she shall inform such findings in writing and his or her intentions to terminate the Contract within a fifteen (15) day term. Within such

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term, Contractor can request a meeting with the Chief Executive Officer of PREPA to present its arguments regarding the alleged conflict of interest. This meeting shall be granted in every case. If such meeting is not requested within the specified term, or if the controversy is not settled satisfactorily during the meeting, this Contract shall be terminated at the end of said fifteen (15) day period. Such termination shall be done according to the termination conditions of Article III, C. of this Contract.

- D. Contractor certifies that at the time of the execution of this Contract, to the best of its knowledge, it does not have any Conflict of Interest. If a Conflict of Interest arise after the execution of this Contract, Contractor shall, to the extent consistent with its obligations to other clients, notify PREPA immediately.
- E. No employee, officer, or agent of PREPA shall participate in the selection, or in the award or administration of a contract, supported by federal funds, if a conflict of interest real or apparent would be involved.

#### **VI. RESPONSIBILITIES OF PREPA**

PREPA shall use reasonable efforts to cooperate with the Contractor, including by providing any information reasonably requested by Contractor and providing access to any facility at which the Work are to be performed at such times as may reasonably be requested by the Contractor.

#### **VII. OWNERSHIP AND USE OF DOCUMENTS**

- A. Except for Contractor's working papers and subject to the Confidentiality obligations provided herein, the Contractor acknowledges PREPA shall have the right to use all information, documents, reports, papers, drawings and other similar materials (the "Deliverables") supplied to PREPA under this Contract as strictly necessary to own, operate, maintain, or repair the Products and/or Work supplied hereunder, provided that, Intellectual Property Rights, if any, relating to the Deliverables, are and shall remain the exclusive property of Contractor. For purposes of this article, "Intellectual Property Rights" shall mean all patents, copyrights, trademarks, trade names, trade dress, service marks, trade secrets, software, firmware, mask works, industrial design rights, rights of priority, know-how, design flows, methodologies and any and all other intellectual property rights protected under any law.
- B. Contractor shall defend and indemnify PREPA against any claim by a non-affiliated third party (a "Claim") alleging that Products and/or Work furnished under this

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Contract infringe a patent in effect in the U.S., an EU member state (provided there is a corresponding patent issued by the U.S. or an EU member state), or any copyright or trademark registered in the country of the Site, provided that PREPA (a) promptly notifies Contractor in writing of the Claim, (b) makes no admission of liability and does not take any position adverse to Contractor, (c) gives Contractor authority to control defense and settlement of the Claim, (d) provides Contractor with full disclosure and reasonable assistance as required to defend the Claim, and (e) Contractor shall keep PREPA informed at all times of the defense and settlement process over the Claim, and shall finally inform PREPA before agreeing to any Settlement.

- C. Article VII, B shall not apply and Contractor shall have no obligation or liability with respect to any Claim based upon (a) Products and/or Services that have been modified, or revised, (b) the combination of any Products and/or Services with other Products and/or Services when such combination is a basis of the alleged infringement, (c) failure of PREPA to implement any update provided by Contractor that would have prevented the Claim, (d) unauthorized use of Products and/or Services, or (e) Products and/or Services made or performed to PREPA's specifications.
- D. Should any Product and/or Service, or any portion thereof, become the subject of a Claim, Contractor may at its option (a) procure for PREPA the right to continue using the Product and/or Service, or applicable portion thereof, (b) modify or replace it in whole or in part to make it non-infringing, or (c) failing (a) or (b), take back infringing Products and/or discontinue infringing Services and refund the price received by Contractor attributable to the infringing Products and/or Services.
- E. This Article VII states Contractor's exclusive liability for intellectual property infringement by Products and/or Services.
- F. Each party shall retain ownership of all Confidential Information and intellectual property it had prior to the Contract. All rights in and to software not expressly granted to PREPA are reserved by Contractor. All new intellectual property conceived or created by Contractor in the performance of this Contract, whether alone or with any contribution from PREPA, shall be owned exclusively by Contractor. PREPA agrees to deliver assignment documentation as necessary to achieve that result.
- G. PREPA will not itself, and will not allow any party (including PREPA Affiliates) to:
  - (i) reverse engineer Products or Services (including any Contractor monitoring or

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data analysis by Contractor), (ii) prepare derivative works from, alter, modify, disassemble, reverse engineer, reverse assemble, de-compile, or otherwise attempt to reconstruct, discover or derive the object or source code of any software licensed to PREPA by Contractor under this Contract (including any third party software); (iii) permit or otherwise grant any third-party access to Products, Services or software for such purpose, even if such third party is performing any corrections, bug fixes and updates.

- H. Products furnished by Contractor under this Contract shall not be installed, used, or made available for use in any equipment other than the equipment specified in the Contract at PREPA's Site. PREPA warrants that such equipment, and the Site, is under its ownership and control, and agrees to inform Contractor forthwith should this cease to be the case at any time before expiry of the Warranty Period.
- I. PREPA agrees to pass on the restrictions and obligations under Article VII, Sections G and H above to any affiliates or third parties who have obtained or may obtain access to the Products or Services and shall be fully liable for any breach of this Article VII by its affiliates or third parties, as if it had committed such breach itself.

#### **VIII. NON-DISCLOSURE AND CONFIDENTIALITY**

- A. Contractor and PREPA (as to information disclosed, the "Disclosing Party") may each provide the other party (as to information received, the "Receiving Party") with Confidential Information in connection with this Contract. "Confidential Information" means information that is designated in writing as "confidential" or "proprietary" by Disclosing Party at the time of written disclosure. In addition, prices for Products and/or Services shall be considered Contractor's Confidential Information.
- B. Receiving Party agrees: (i) to use the Confidential Information only in connection with the Contract and use of Products and/or Services, (ii) to take reasonable measures to prevent disclosure of the Confidential Information to third parties, and (iii) not to disclose the Confidential Information to a competitor of Disclosing Party. Notwithstanding these restrictions, (a) Contractor may disclose Confidential Information to its affiliates and subcontractors in connection with performance of the Contract, (b) a Receiving Party may disclose Confidential Information to its auditors, (c) PREPA may disclose Confidential Information to lenders as necessary for PREPA to secure or retain financing needed to perform its obligations under the Contract, and (d) a Receiving Party may disclose Confidential Information to any other third party with the prior written permission of Disclosing Party, and in each

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case, only so long as the Receiving Party obtains a non-disclosure commitment from any such subcontractors, auditors, lenders or other permitted third party that prohibits disclosure of the Confidential Information and provided further that the Receiving Party remains responsible for any unauthorized use or disclosure of the Confidential Information. Receiving Party shall upon request return to Disclosing Party or destroy all copies of Confidential Information except to the extent that a specific provision of the Contract entitles Receiving Party to retain an item of Confidential Information. Contractor may also retain one archive copy of PREPA's Confidential Information.

- C. The obligations under this Article VIII shall not apply to any portion of the Confidential Information that: (i) is or becomes generally available to the public other than as a result of disclosure by Receiving Party, its representatives or its affiliates; (ii) is or becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party when the source is not, to the best of Receiving Party's knowledge, subject to a confidentiality obligation to Disclosing Party; (iii) is independently developed by Receiving Party, its representatives or affiliates, without reference to the Confidential Information; (iv) is required to be disclosed by law or valid legal process provided that the Receiving Party intending to make disclosure in response to such requirements or process shall promptly notify the Disclosing Party in advance of such disclosure and reasonably cooperate in attempts to maintain the confidentiality of the Confidential Information.
- D. Each Disclosing Party warrants that it has the right to disclose the information that it discloses. Neither PREPA nor Contractor shall make any public announcement about the Contract without prior written approval of the other party. Article VI does not supersede any separate confidentiality or nondisclosure agreement signed by the parties.

#### **IX. TERMINATION BY THE CHIEF OF STAFF**

Pursuant to Memorandum No. 2017-001, Circular Letter 141-17, of the Office of the Chief of Staff of the Governor of Puerto Rico (*Secretaría de la Gobernación*) and the Office of Management and Budget (*Oficina de Gerencia y Presupuesto* – OGP), the Chief of Staff shall have the authority to terminate this Contract at any time. If so directed by the Chief of Staff, PREPA will terminate this Contract by delivering to the Contractor a notice of termination specifying the extent to which the performance of the work under this Contract is terminated, and the effective date of termination. Upon the effective date of termination, the Contractor shall immediately discontinue all Work affected and deliver to PREPA all

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information, studies and other materials property of PREPA. In the event of a termination by notice, PREPA shall be liable only for payment of Work rendered up to and including the effective date of termination plus the amounts provided in Article III.B and C(ii).

#### **X. INTERAGENCY WORK**

Both parties acknowledge and agree that the Work may be provided to another entity of the Executive Branch which enters into an interagency agreement with PREPA or by direct disposition of the Office of the Chief of Staff. Such work will be performed under the same terms and conditions in terms of hours of work and compensation set forth in this Contract. For the purpose of this clause, the term "entity of the Executive Branch" includes all agencies of the Government of Puerto Rico, as well as public instrumentalities, public corporations.

#### **XI. COMPLIANCE WITH THE COMMONWEALTH OF PUERTO RICO CONTRACTING REQUIREMENTS**

The Contractor will comply with all applicable Law, Regulations, or Executive Orders that regulate the contracting process and requirements of the Commonwealth of Puerto Rico.

##### **A. Filing of Puerto Rico Income Tax Returns**

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor hereby certifies that it has filed all the necessary and required income tax returns to the Government of Puerto Rico for the last five (5) years. As evidence thereof, Contractor has delivered to PREPA an Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Income Tax Return for the last five (5) tax years (Form SC 6088). The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service the Contractor has secured in connection with the Work to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

##### **B. Payment of Puerto Rico Income Taxes**

In compliance with Executive Order Number OE-1991-24 of June 18, 1991, the Contractor, hereby certifies that it has complied and is current with the payment of all income taxes that are, or were due, to the Government of Puerto Rico. As evidence thereof, Contractor has delivered to PREPA a certification issued by the Treasury Department of Puerto Rico



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indicating that Contractor does not owe taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan in full compliance with its terms (Form SC 6096). During the term of this Contract, the Contractor agrees to pay and/or to remain current with any repayment plan agreed to by the Contractor with the Government of Puerto Rico. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each Subcontractor whose service the Contractor has secured in connection with the Work to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement.

**C. Compliance with Requirements of the Department of Labor and Human Resources of the Commonwealth of Puerto Rico**

Pursuant to Executive Order Number 1992-52, dated August 28, 1992 amending OE-1991-24, the Contractor certifies and warrants that it has made all payments required for unemployment benefits, workmen's compensation and social security for chauffeurs, whichever is applicable, or that in lieu thereof, has subscribed a payment plan in connection with any such unpaid items and is in full compliance with the terms thereof. As evidence thereof, Contractor has delivered to PREPA:

- (i) A certification issued by the Bureau of Employment Security (Negociado de Seguridad de Empleo) of the Puerto Rico Department of Labor and Human Resources certifying that Contractor does not owe taxes regarding Unemployment or Disability Insurance.
- (ii) A certification issued by the Program for Social Security for Chauffeurs and Other Employees of the Puerto Rico Department of Labor and Human Resources certifying that contractor has no debt with respect to such program Income Tax Return Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Income Tax Return for the last five (5) tax years (Form SC 6088).

**D. Real and Personal Property Taxes**

Contractor hereby certifies and guarantees that it does not have any current debt regarding property taxes that may be registered with the Government of Puerto Rico's Municipal Tax Collection Center (*Centro de Recaudación de Ingresos Municipales* ("CRIM")).

The Contractor further certifies to be current with the payment of any and all property taxes that are or were due to the Government of Puerto Rico. The Contractor shall

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provide:

- (i) A certification issued by the Municipal Revenues Collection Center ("MRCC"), assuring that Contractor does not owe any tax accruing during the last five (5) years to such governmental agency with respect to personal property; or negative Debt certification issued by the MRCC with respect to personal property taxes and a sworn statement executed by Contractor indicating that (i) its revenues are derived from the rendering of professional services, (ii) during the last 5 years (or the time in which it has been providing professional services) it has had no taxable business or personal property on the 1st of January of each year, (iii) that for such reasons it has not been required to file personal property tax returns, as required under Article 6.03 of Act 83-1991, as amended and (iv) that for such reason it does not have an electronic tax file in the MRCC's electronic system.
- (ii) All Concepts Debt Certification issued by the MRCC assuring that Contractor does not owe any taxes to such governmental agency with respect to real and personal property; or Negative certification issued by the MRCC with respect to real property taxes.

**E. Sales and Use Taxes**

The Contractor has delivered to PREPA:

- (i) Certification issued by the Puerto Rico Treasury Department indicating that Contractor does not owe Puerto Rico Sales and Use taxes to the Commonwealth of Puerto Rico; or is paying such taxes by an installment plan and is in full compliance with its terms.
- (ii) Puerto Rico Sales and Use Tax Filing Certificate, issued by the Treasury Department of Puerto Rico assuring that Contractor has filed his Puerto Rico Sales and Use Tax for the last sixty (60) contributory periods.
- (iii) A copy of Contractor's Certificate of Merchant's Registration issued by the Treasury Department of Puerto Rico.

**F. Contractors Not Engaged In Trade or Business In Puerto Rico**

The Contractor has delivered to PREPA a sworn statement certifying that, under penalty of perjury, Contractor does not have tax liability in Puerto Rico and the execution of the

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agreement will not result in Contractor being engaged in trade or business in Puerto Rico.

**G. Puerto Rico Child Support Administration (ASUME)**

Contractor hereby certifies that it is not duty bound to pay child support, or if so, that Contractor is up to date or has a payment plan to such effects. As evidence thereof, the Contractor has delivered to PREPA a certification issued by the Puerto Rico Child Support Administration (*Administración Para El Sustento de Menores (ASUME)*) certifying that the Contractor have any debt, outstanding debt, or legal procedures to collect child support payments that may be registered with ASUME.

If any of the certifications listed in items A through G of this Article XI shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor hereby certifies that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.

**H. Organization Documents**

The Contractor shall provide:

- (i) Good Standing Certificate issued by the Department of State of Puerto Rico.
- (ii) Certification of Incorporation, or Certification of Organization or Certificate of Authorization to do business in Puerto Rico issued by the Department of State of Puerto Rico.

**I. Compliance with Act 1 of Governmental Ethics**

The Contractor will certify compliance with Act 1-2012, as amended, known as the Ethics Act of the Government of Puerto Rico, which stipulates that no employee or executive of PREPA nor any member of his or her immediate family (spouse, dependent children, or other members of his or her household or any individual whose financial affairs are under the control of the employee) shall have any direct or indirect pecuniary interest in the Work to be rendered under this Contract, except as may be expressly authorized by the Governor of Puerto Rico in consultation with the Secretary of Treasury and the Secretary of Justice of the Government. 3 L.P.R.A. § 8611 et seq.

**J. Law 168-2000: Law for the Strengthening of the Family Support and Livelihood of Elderly People**

The Contractor will certify that if there is any Judicial or Administrative Order demanding payment or any economic support regarding Act 168-2000, as amended, the same is current and in all aspects in compliance. Act 168-2000 "Law for the Strengthening of the Family Support and Livelihood of Elderly People" in Spanish: "*Ley para el Fortalecimiento del Apoyo Familiar y Sustento de Personas de Edad Avanzada*", 3 L.P.R.A. §8611 et seq.

**K. Prohibition with respect to execution by public officers: (3 L.P.R.A. 8615(c))**

No public officer or employee authorized to contract on behalf of the executive agency for which he/she works may execute a contract between the agency for which he/she works and an entity or business in which he/she or any member of his/her family unit has or has had direct or indirect economic interest during the last four (4) years prior to his/her holding office.

**L. Prohibition with respect to contracting with officers or employees: (3 L.P.R.A. 8615(d))**

No executive agency may execute a contract in which any of its officers or employees or any member of their family units has or has had direct or indirect economic interest during the last four (4) years prior to their holding office, unless the Governor gives authorization thereto with the previous recommendation of the Secretary of the Treasury and the Secretary of Justice.

**M. Prohibition with respect to contracts with officers and employees of other Government entities: (3 L.P.R.A. 8615(e))**

No public officer or employee may be a party to or have any interest in any profits or benefits produced by a contract with any other executive agency or government dependency unless the Governor gives express authorization thereto with previous recommendation from the Secretary of the Treasury and the Secretary of Justice.

**N. Prohibition with respect to evaluation and approval by public officers: (3 L.P.R.A. 8615(f))**

No public officer or employee who has the power to approve or authorize contracts shall evaluate, consider, approve or authorize any contract between an executive agency and an entity or business in which he/she or any member of his/her family unit has or has had

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direct or indirect economic interest during the last four (4) years prior to his/her holding office.

**O. Prohibition with respect to execution by public officers contracts with former public officers: (3 L.P.R.A. 8615(h))**

No executive agency shall execute contracts with or for the benefit of persons who have been public officers or employees of said executive agency until after two (2) years have elapsed from the time said person has ceased working as such.

**P. Dispensation**

Any and all necessary dispensations have been obtained from any government entity and that said dispensations shall become part of the contracting record.

**Q. Rules of Professional Ethics**

The Contractor acknowledges and accepts that it is knowledgeable of the rules of ethics of his or her profession and assumes responsibility for his or her own actions.

**R. Anti-Corruption Code for a New Puerto Rico**

- (i) Contractor agrees to comply with the provisions of Act 2-2018, as the same may be amended from time to time, which establishes the Anti-Corruption Code for a new Puerto Rico.
- (ii) The Contractor hereby certifies that it does not represent particular interests in cases or matters that imply a conflict of interest, or of public policy, between the executive agency and the particular interests it represents.
- (iii) Contractor will keep currently in the PREPA's Register of Suppliers a sworn statement to the effect that neither Contractor nor any president, vice president, executive director or any member of a board of officials or board of directors, included in its Bylaws has been convicted of or has pled guilty to any of the crimes listed in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico or any of the crimes included in Act 2-2018.
- (iv) Contractor hereby certifies that it has not been convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, as amended,

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known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

- (v) PREPA shall have the right to terminate the Contract in the event Contractor is convicted in Puerto Rico or United States Federal court for under Articles 4.2, 4.3, or 5.7 of Act 1-2012, in connection with the activities of this Contract as amended, known as the Organic Act of the Office of Government Ethics of Puerto Rico, any of the crimes listed in Articles 250 through 266 of Act 146-2012, as amended, known as the Puerto Rico Penal Code, any of the crimes typified in Act 2-2018, as amended, known as the Anti-Corruption Code for a New Puerto Rico or any other felony that involves misuse of public funds or property, including but not limited to the crimes mentioned in Article 6.8 of Act 8-2017, as amended, known as the Act for the Administration and Transformation of Human Resources in the Government of Puerto Rico.

**S. Provisions Required under Act 14-2004**

Contractor agrees that articles extracted, produced, assembled, packaged or distributed in Puerto Rico by enterprises with operations in Puerto Rico, or distributed by agents established in Puerto Rico shall be used when the service is rendered, provided that they are available.

**T. Consequences of Non-Compliance**

The Contractor expressly agrees that the conditions outlined throughout this Article are essential requirements of this Contract. Consequently, should any one of these representations, warranties or certifications in connection with the Anti-Corruption Code for a New Puerto Rico be incorrect, inaccurate or misleading, in whole or in part, there shall be sufficient cause for PREPA to render this Contract null and void, and the Contractor shall be subject to the remedies set out in the Anti-Corruption Code for a New Puerto Rico in the event of such termination. The Contractor accepts and acknowledges its responsibility for requiring and obtaining a similar warranty and certification from each and every Contractor and Subcontractor whose service the Contractor has secured in

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connection with the services to be rendered under this Contract and shall forward evidence to PREPA as to its compliance with this requirement. If any of the certifications listed in items A through F of this Section X shows a debt, and Contractor has requested a review or adjustment of this debt, Contractor hereby certifies that it has made such request at the time of the Contract execution. If the requested review or adjustment is denied and such determination is final, Contractor will provide, immediately, to PREPA a proof of payment of this debt; otherwise, Contractor accepts that the owed amount be offset by PREPA and retained at the origin, deducted from the corresponding payments.

## **XII. INSURANCE**

The Contractor shall secure and maintain in full force and effect during the life of this Contract as provided herein, policies of insurance covering all operations engaged in by the Contract as follows:

### **A. Commonwealth of Puerto Rico Workmen's Compensation Insurance**

- (i) The Contractor shall provide Workmen's Compensation Insurance as required by the Workmen's Compensation Act 45-1935 of the Commonwealth of Puerto Rico. The Contractor shall also be responsible for compliance with said Workmen's Compensation Act by all its subcontractors, agents, and invitees, if any.
- (ii) The Contractor shall furnish a certificate from the Puerto Rico State Insurance Fund showing that all personnel employed in the work are covered by the Workmen's Compensation Insurance, in accordance with this Contract.

### **B. Employer's Liability Insurance**

The Contractor shall provide Employer's Liability Insurance with a minimum bodily injury limits of \$1,000,000 for each employee and \$1,000,000 for each accident covering against the liability imposed by Law upon the Contractor as result of bodily injury, by accident or disease, including death arising out of and in the course of employment, and outside of and distinct from any claim under the Workmen's Compensation Act of the Commonwealth of Puerto Rico.

### **C. Commercial General Liability Insurance**

The Contractor shall provide a Commercial General Liability Insurance with limits of \$1,000,000 per occurrence and \$1,000,000 aggregate

**D. Commercial Automobile Liability Insurance**

The Contractor shall provide a Commercial Automobile Liability Insurance with limits of \$1,000,000 combined single limit covering all owned, non-owned, and hired automobiles.

**E. Professional Liability Insurance**

The Contractor shall provide a Professional Liability Insurance with limits of \$1,000,000 per claim and \$1,000,000 aggregate.

**F. Requirements under the Policies**

The Commercial General Liability and Commercial Automobile Liability Insurance required under this Contract shall be endorsed to include:

- (i) As Additional Insured, naming Puerto Rico Electric Power Authority (PREPA) Risk Management Office as additional insured but only to the extent of the Contractor's indemnification obligations for third party damages as stated under this Agreement.

Puerto Rico Electric Power Authority (PREPA) Risk Management Office  
PO Box 364267  
San Juan, Puerto Rico 00936-4267

- (ii) A 30-day cancellation or nonrenewable notice to be sent to the above address.
- (iii) An endorsement including this Contract under contractual liability coverage and identifying it by number, date, and parties to the contract.
- (iv) Waiver of subrogation in favor of Puerto Rico Electric Power Authority (PREPA) "... along with a waiver of subrogation to Puerto Rico Electric Power Authority (PREPA)'s benefit to the extent protections are afforded PREPA as an additional insured.
- (v) Breach of Warranties or Conditions: "The Breach of any of the Warranties or Conditions in this policy by the Insured shall not prejudice PREPA's rights under this policy."

**G. Furnishing of Policies**



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All required policies of insurance shall be issued only by insurance companies authorized to do business in Puerto Rico. The Contractor shall furnish a certificate of insurance signed by an authorized representative of the insurer in Puerto Rico, describing the coverage afforded.

### **XIII. NOTICES**

All notices and other communications hereunder shall be in writing and shall be deemed given when delivered personally or sent by telecopy, or sent, postage prepaid, by registered, certified or express mail (return receipt requested) or reputable overnight courier service and shall be deemed given when so delivered by hand, or telecopied, or if mailed, three days after mailing (one business day in the case of express mail or overnight courier service) to the parties at the following addresses:

If to Contractor: \_\_\_\_\_

Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If to PREPA:

Josué Colón  
Chief Executive Officer  
Puerto Rico Electric Power Authority  
PO Box 364267  
San Juan, Puerto Rico 00936-4267

### **XIV. INDEPENDENT CONTRACTOR**

The Contractor shall be considered as an independent contractor, for all material purposes under this Contract, and all persons engaged or contracted by Contractor for the performance of its obligations herein, shall be considered as its employees or agents, and not as employees or agents of PREPA. As an independent contractor, Contractor shall not be entitled to any fringe benefits, such as, but not limited to vacation, sick leave, and to which PREPA's employees are entitled.

### **XV. RESPONSIBILITY FOR DAMAGES**

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- A. Except for claims for indemnification under Section F, which are not limited, the total liability of the Contractor for all claims, whether a claim is based in contract, warranty, indemnity, tort/extra contractual liability (including negligence), strict liability or otherwise shall not exceed the following:

Purchase Order Value or Contract Price (POV)	Liability Limit
Less than 50,000	4 X applicable POV or \$150,000 whichever is less
\$50,000 - \$200,000	3 X applicable POV or \$400,000 whichever is less
\$200,000 - \$800,000	2 X applicable POV or \$1,200,000 whichever is less
\$800,000 - \$1,500,000	1.5 X applicable POV or \$2,000,000 whichever is less
Greater than \$1,500,000	1.0 X applicable POV or \$2,000,000 whichever is greater

B. DEFINITION OF CONTRACTOR UNDER THIS ARTICLE ON LIABILITIES:

For purposes of this article on "Liabilities", the term "Contractor" means Contractor, its affiliates, subcontractors and suppliers of any tier, and their respective employees.

C. INTENTION OF PARTIES TO HAVE THIS ARTICLE ON LIABILITIES APPLY IN ALL CASES:

This article shall apply whether a claim is based in contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise and shall prevail over any conflicting terms. The parties agree that their respective responsibilities for damages under this Contract will be governed by the terms of this Contract and shall be each Party's sole and exclusive remedies.

D. TERMINATION OF CONTRACTOR'S LIABILITY:

Contractor's liability shall terminate upon the expiration of the applicable Warranty Period,

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provided that PREPA may enforce a claim that accrued prior to that date by commencing an action, as applicable, under the article on Disputes, before the expiration of the applicable statute of limitations but not later than one (5) year after the expiration of the Warranty Period.

This clause does not place a limit or restriction on the indemnity obligations of Contractor with respect to third party personal injury or death claims or third-party property damages claims as defined under the Indemnity clause.

E. Indirect or Consequential Damages NOT COVERED:

The Contractor shall not be liable or responsible for any loss of profits or any special, indirect, incidental or consequential damages, loss of profits or revenue, loss of business, loss or costs because of a plant shutdown, downtime costs, cost of capital, claims of customers of PREPA, or costs of replacement power, or any other such special, indirect, incidental or consequential types of damages that may be claimed in relation to the work performed, under any legal theory which may be invoked for such claims or damages

F. Save and Hold Harmless (Indemnity for Third Party Claims):

The Contractor agrees to save and hold harmless and to indemnify PREPA for all expenses and costs of any nature (including attorneys' fees) incurred by PREPA arising out of any claims made by any third party for personal injuries, including death, or for physical damage to third party property, caused by the Contractor or any of its subcontractors, to the extent of Contractor's or subcontractors negligence in the performance or nonperformance of its obligations under the Contract. For purposes of Contractor's indemnity responsibility under this article, no portion of the unit(s) where the Work are provided or the Products furnished by Contractor are installed, facility where the Work are provided or the Products are installed or the site where the Work are provided or the Products are installed is considered third party property.

PREPA agrees to save and hold harmless and to indemnify Contractor for all expenses and costs of any nature (including attorneys' fees) incurred by Contractor arising out of any claim made by any third party for personal injuries, including death, or for physical damage to third party property, caused by PREPA, to the extent of PREPA's negligence in the performance of its obligations under the Contract.

G. Provision on the Operation of PREPA's Equipment

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It is hereby provided that Contractor is NOT allowed to operate PREPA's equipment at any time and that the Scope of Work does not provide for Contractor to operate any of PREPA's equipment. Therefore, PREPA is responsible for the operation of its own equipment at all times

PREPA represents and guarantees that it is the sole owner of the equipment, site and facilities where the Work will be provided and shall indemnify and hold Contractor harmless from any claim from other current or future owner to the extent such claim exceeds the limitations and exclusions of liability of this Contract.

#### **XVI. CHOICE OF LAW AND VENUE**

This Contract shall be governed by and construed in accordance with the laws of the Commonwealth of Puerto Rico. Also, the Parties expressly agree that only the State Court for the Commonwealth of Puerto Rico will be the court of competent and exclusive jurisdiction to decide over the judicial controversies that the appearing Parties may have among them regarding the terms and conditions of this Contract.

#### **XVII. DISPUTES**

All disputes concerning questions of fact arising under this Contract shall be decided by PREPA's Generation Director within 10 days from the submission of the dispute by Contractor, subject to written appeal by Contractor to the Executive Director within thirty (30) days. Within 10 days thereafter, the Executive Director shall inform each party hereto of his decision regarding the dispute. Contractor, at its option, may elect to accept such decision or pursue remedies at law or equity.

In the event of a dispute arising during the Warranty Period, Contractor shall ensure all obligations of Contractor under the agreement are duly performed unless Customer is not performing its obligations as defined in the Contract.

#### **XVIII. SEVERABILITY**

If a court of competent jurisdiction declares any of the Contract provisions as null and void or invalid, such holding will not affect the validity and effectiveness of the remaining provisions of this Contract and the Parties agree to comply with their respective obligations under such provisions not included in the judicial declaration.

#### **XIX. CHANGE IN LAW**

If during the term of this contract, Contractor presents evidence that the change in law has caused a material increase in their cost to provide Work, the Parties, at the request of the Contractor, will meet to discuss whether an increase in the contract amount is justified. If the Parties are unable to agree on the applicable price increase, Contractor shall not be obligated to continue to perform the affected scope until the parties reach agreement. Any party, at its option, may elect to accept such decision or pursue remedies at law or equity.

#### **XX. FORCE MAJEURE**

The Parties hereto shall be excused from performing hereunder and shall not be liable in damages or otherwise, if and only to the extent that they shall be unable to perform, or are prevented from performing by a force majeure event. For purposes of this

Contract, force majeure means any event not caused by the fault or negligence of, and beyond the reasonable control of, the party claiming the occurrence of a force majeure event.

Force majeure may include, but not be limited to, the following: Acts of God, industrial disturbances, acts of the public enemy, terrorism, war, blockades, boycotts, riots, insurrections, epidemics, earthquakes, storms, floods, civil disturbances, lockouts, fires, explosions, interruptions of Work due to the acts or failure to act of any governmental authority, provided that these events, or any other claimed as a force majeure event, and/or its effects, are beyond the reasonable control and without the fault or negligence of the Party claiming the force majeure event, and that such Party, within ten (10) business days after the occurrence of the alleged force majeure event, gives the other Party written notice describing the particulars of the occurrence and its estimated duration. The burden of proof as to whether a force majeure event has occurred shall be on the party claiming the force majeure event.

#### **XXI. NOVATION**

The Parties expressly agree that no amendment or change order, which could be made to the Contract during its term, shall be understood as a contractual novation, unless both Parties agree to the contrary, specifically and in writing.

The previous provision shall be equally applicable in such other cases where PREPA gives Contractor a time extension for the compliance of any of its obligations under this

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Contract, or where PREPA dispenses the claim or demand of any of its credits or rights under the Contract. Neither Party can assign this Contract without the approval in writing of the other Party, but Contractor is authorized to assign this Contract payment rights to an Affiliate, without prior approval.

## **XXII. COUNTERPARTS**

This Contract may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

## **XXIII. ENTIRE CONTRACT**

Subject to any additional Federal or Commonwealth requirements not specified herein, this Contract and its attachments, (and any executed amendments to either), constitutes the entire Contract between the Parties and supersedes all prior agreements and understandings, oral or written, with respect to the subject matter hereof. This Contract will inure to the benefit of, and be binding upon, the Parties and their respective successors and assigns.

## **XXIV. CORRELATION OF DOCUMENTS**

In case of discrepancy or in the event of conflict among the order of precedence of the Contract documents shall be

- (i) The Contract,
- (ii) Technical Specifications,
- (iii) Proposal Forms, and
- (iv) the Contractors Bidding Proposal,

The terms of first stated document shall prevail over shall take precedence in the order given. The terms and conditions contained in the Contract shall prevail over any conflicting terms and conditions contained in the Contractor's Bidding Proposal.

## **XXV. WARRANTY**

- A. The Contractor warrants to PREPA that Products shall be delivered free from

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defects in material, workmanship and title and that the Services shall be performed in a competent, diligent manner in accordance with any mutually agreed specifications. The warranty for Products shall expire one (1) year from first use or eighteen (18) months from delivery, whichever occurs first; and the warranty for Services shall expire twelve (12) months after the date of completion of the applicable Service (collectively, the "Warranty Period").

- B. If Work do not meet the above warranty, PREPA shall promptly notify the Contractor in writing prior to expiration of the Warranty Period. The Contractor shall (i) at its option, repair or replace defective Products and (ii) re-perform defective Services. If despite the Contractor's reasonable efforts, , a non-conforming Product cannot be repaired or replaced, or non-conforming Services cannot be re-performed, the Contractor shall refund or credit monies paid by PREPA for such non-conforming Products and/or Services. Warranty repair, replacement or re-performance by the Contractor shall not extend or renew the applicable Warranty Period. PREPA shall obtain Contractor's agreement on the specifications of any tests it plans to conduct to determine whether a non-conformance exists.
- C. PREPA will provide the necessary craft labor for any warranty work that has to be performed in order to comply with the requirements established under this clause. The Performance Bond shall cover and serve as guarantee for this warranty. Upon expiration of the Warranty Period, the Performance Bond shall expire.
- D. The warranties and remedies are conditioned upon (a) PREPA keeping accurate and complete records of operation and maintenance during the Warranty Period and providing Contractor with access to those records, and (c) modification or repair of Work only as authorized by the Contractor in writing. Failure to meet any such conditions renders the warranty null and void. The Contractor is not responsible for normal wear and tear. This article provides the exclusive remedies for all claims based on failure of or defect in Products or Services, regardless of when the failure or defect arises, and whether a claim, however described, is based on contract, warranty, indemnity, tort/extra-contractual liability (including negligence), strict liability or otherwise. The warranties provided in this Article XXV are exclusive and are in lieu of all other warranties, conditions and guarantees whether written, oral, implied or statutory. NO IMPLIED OR STATUTORY WARRANTY, OR WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES.

**XXVI. ENVIRONMENTAL, HEALTH AND SAFETY MATTERS**

- A. PREPA shall maintain safe working conditions at the Site, including, without limitation, implementing appropriate procedures regarding Hazardous Materials, confined space entry, and energization and de-energization of power systems (electrical, mechanical and hydraulic) using safe and effective lock-out/tag-out ("LOTO") procedures including physical LOTO or a mutually agreed upon alternative method.
- B. PREPA shall timely advise Contractor in writing of all applicable Site-specific health, safety, security and environmental requirements and procedures. Without limiting PREPA's responsibilities under Article XIII, Contractor has the right but not the obligation to, from time to time, review and inspect applicable health, safety, security and environmental documentation, procedures and conditions at the Site.
- C. If, in Contractor's reasonable opinion, the health, safety, or security of personnel or the Site is, or is apt to be, imperiled by security risks, terrorist acts or threats, the presence of or threat of exposure to Hazardous Materials, or unsafe working conditions, The Contractor may, in addition to other rights or remedies available to it, evacuate some or all of its personnel from Site, suspend performance of all or any part of the Contract, and/or remotely perform or supervise work. Any such occurrence shall be considered an excusable event. PREPA shall reasonably assist in any such evacuation.
- D. Operation of PREPA's equipment is the responsibility of PREPA. PREPA shall not require or permit The Contractor's personnel to operate PREPA's equipment at Site.
- E. PREPA will make its Site medical facilities and resources available to The Contractor personnel who need medical attention.
- F. The Contractor has no responsibility or liability for the pre-existing condition of PREPA's equipment or the Site. Prior to The Contractor starting any work at Site, PREPA will provide documentation that identifies the presence and condition of any Hazardous Materials existing in or about PREPA's equipment or the Site that The Contractor may encounter while performing under this Contract. PREPA shall disclose to The Contractor industrial hygiene and environmental monitoring data regarding conditions that may affect The Contractor's work or personnel at the Site. PREPA shall keep The Contractor informed of changes in any such conditions.



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- G. The Contractor shall notify PREPA if The Contractor becomes aware of: (i) conditions at the Site differing materially from those disclosed by PREPA, or (ii) previously unknown physical conditions at Site differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract. If any such conditions cause an increase in The Contractor's cost of, or the time required for, performance of any part of the work under the Contract, an equitable adjustment in price and schedule shall be made.
- H. If the Contractor encounters Hazardous Materials in PREPA's equipment or at the Site that require special handling or disposal, The Contractor is not obligated to continue work affected by the hazardous conditions. In such an event, PREPA shall eliminate the hazardous conditions in accordance with applicable laws and regulations so that The Contractor's work under the Contract may safely proceed, and The Contractor shall be entitled to an equitable adjustment of the price and schedule to compensate for any increase in The Contractor's cost of, or time required for, performance of any part of the work. PREPA shall properly store, transport and dispose of all Hazardous Materials introduced, produced or generated in the course of The Contractor's work at the Site.
- I. PREPA shall indemnify The Contractor for any and all claims, damages, losses, and expenses arising out of or relating to any Hazardous Materials which are or were (i) present in or about PREPA's equipment or the Site prior to the commencement of The Contractor's work, (ii) improperly handled or disposed of by PREPA or PREPA's employees, agents, contractors or subcontractors, or (iii) brought, generated, produced or released on Site by parties other than The Contractor.

**SPECIAL CONDITIONS (TO BE USED FOR FEDERALLY FUNDED PROJECTS)**

**XXVII. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT (40 U.S.C. 3701–3708)**

The following provision applies to contracts in excess of \$100,000 that involve the employment of mechanics, laborers, and construction work. These terms are defined at 29 C.F.R. § 5.2. These requirements do not apply to the purchase of supplies or materials ordinarily available on the open market.

- A. Overtime requirements. No contractor or subcontractor contracting for any part of

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the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

- B. Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (A) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (A) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (A) of this section.
- C. Withholding for unpaid wages and liquidated damages. PREPA shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (B) of this section.
- D. Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (A) through (D) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (A) through (D) of this section.

XXVIII. BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. § 1352 (AS AMENDED)

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Contractor certifies, to the best of its knowledge and belief, that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant, or any other award covered by 31 U.S.C. § 1352. Each tier shall so certify to the tier above it. Each tier shall also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient (COR3). Contractor shall also submit to PREPA the required certification regarding lobbying at Appendix A, 44 C.F.R. Part 18, attached to this Contract as Appendix B.

**XXIX. CLEAN AIR ACT AND THE FEDERAL WATER POLLUTION CONTROL ACT**

- A. In the performance of this Contract, the Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
- B. The Contractor agrees to report each violation of the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq., and the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq. to PREPA and understands and agrees that PREPA will, in turn, report each violation as required to assure notification to the COR3, the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
- C. The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance.

**XXX. SUFFICIENCY OF FUNDS**

As of the date hereof, PREPA represents that it has sufficient funds for payment of the purchase price under this Contract or a reasonable expectation of having such funds when payment comes due, whether from the Government of Puerto Rico, the Federal Government, or another source. If during the term of this Contract, such funding is reduced, deobligated, or withdrawn, PREPA may reduce the remainder scope or terminate the Contract in accordance with Article III.B., Termination for Convenience or Article I.B., Additional Provisions Regarding the Work (changes), as applicable. Such termination or reduction in scope shall not be considered a breach of this Contract.

### **XXXI. COSTS**

In order to maintain eligibility for the Federal funding that may be used to fund this Contract, PREPA must comply with the regulations applicable to federal grants at 2 C.F.R. Part 200, including the Cost Principles as Subpart E. Among other things, this includes ensuring that all costs be adequately documented (see 2 C.F.R. 200.403(g)). In recognition of this requirement, Contractor agrees to retain all documentation related to the costs incurred under this Contract as described in Article XXVII, Retention Requirements for Records, and to cooperate fully with PREPA's efforts to obtain and retain federal financial assistance, including not unreasonably withholding requested documentation. This commitment to cooperation shall be required for as long as the records must be retained per Article XXVII, Retention Requirements for Records.

### **XXXII. PENALTIES AND FINES**

In the event that the Contractor violates any provision of applicable law, regulation, Executive Order, policy, procedure, or directives of a governmental authority of the United States or the Government of Puerto Rico in the performance of this Contract, then Contractor shall be solely responsible for any resulting penalty imposed upon it or PREPA by a U.S. Federal agency or the Government of Puerto Rico to the extent attributable to such violation of law by the Contractor, provided that Contractor will not be liable for any losses or expenses arising from emissions violations arising out of the operation of the power generation equipment. PREPA shall provide Contractor notice of any notice of such violations of law and provide Contractor an opportunity to support PREPA's efforts to appeal, as set forth in Article XXXIII "Administrative Appeals", Contractor shall reimburse PREPA in full within ten days of receiving notice from PREPA of the implementation of such penalty.

### **XXXIII. ADMINISTRATIVE APPEALS**

In the event that PREPA is notified by a U.S. Federal agency or the Government of Puerto Rico of its intention to take action that adversely affects the availability of federal funding for costs under this Contract as a result of Contractor's violation of the terms and conditions of this Contract, or any applicable law, regulation, Executive Order, policy, procedure, or directives, PREPA may have the opportunity to file an administrative appeal or seek arbitration of the adverse action. In such case, PREPA shall notify Contractor of the adverse action and of PREPA's request for Contractor's cooperation, with reasonable time in advance of any administrative appeal or arbitration filing deadline, providing a description of the facts and other necessary details, including documents, to allow

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Contractor to evaluate the request. Contractor shall cooperate with PREPA in PREPA's efforts to file an administrative appeal or request for arbitration of the action, as applicable.

**XXXIV. DEBARMENT, SUSPENSION, AND INELIGIBILITY**

- A. This Contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such the Contractor represents and warrants that, on the date of the execution of this Contract, neither the Contractor nor its principals (defined at 2 C.F.R. § 180.995) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935). The Contractor further represents and warrants that, with respect to the Work provided under this Contract, it will not enter into any contracts or subcontracts with any individual or entity which has been debarred, suspended or deemed ineligible under those provisions. During the term of this Contract, the Contractor will periodically review SAM.gov and local notices to verify the continued accuracy of this representation. The Contractor shall require all subcontractors at every tier to comply with this requirement
- B. The Contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- C. The certification attached hereto as Appendix C is a material representation of fact relied upon by PREPA.

**XXXV. REVIEW OF LAWS**

The Contractor may access online and read each applicable law that is cited in the aforementioned clauses and that, in the event it cannot access the online version, it will notify PREPA in order to obtain printed copies of such laws. Not requiring a printed copy of the laws to PREPA will be evidence that the Contractor was able to find it online and read it as required.

**XXXVI. ACCESS TO RECORDS**

- A. The Contractor agrees to provide PREPA and the Government of Puerto Rico or any of their authorized representatives access to the "Reviewable Records," as defined below. PREPA is responsible for all expenses incurred in connection with any such review or audit. PREPA shall not have the right to audit the derivation of any fixed or lump sum amounts. All information reviewed or obtained by PREPA or its agents in connection with a review or audit conducted hereunder shall be

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deemed confidential and subject to the confidentiality provisions of Article VIII, Non-Disclosure and Confidentiality, of this Contract, to the extent not explicitly prohibited by law.

- B. The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- C. The Contractor agrees to provide the head of any Federal awarding agency providing grant funding to PREPA for this Contract, or his or her authorized representatives, access to PREPA sites pertaining to the on-site Work being completed under the Contract, if any.
- D. Should PREPA be demanded by the Government of Puerto Rico or any Federal awarding agency to produce information that is not defined as a "Reviewable Record", Contractor shall cooperate in good faith with PREPA for the purpose of complying with such request. Contractor's failure or refusal to cooperate shall not be considered a breach of this Agreement, unless such failure or refusal to provide the requested information constitutes a violation of Article XLIII, Compliance with Laws, Regulation, and Executive Orders.
- E. For the purposes of this clause, "Reviewable Records" shall mean:
  - (i) For Products:
    - a. Description of item, e.g., serial number, year/make/model/size/capacity, part number and description, and other specifications, as applicable;
    - b. Documents evidencing the origin of the goods, e.g., bill of lading;
    - c. Documents evidencing proof of delivery, e.g. a signed on-site Products inspection report;
    - d. Contractor price lists containing fixed prices for products provided by Contractor in the performance of the work;
    - e. For materials provided by a subcontractor in connection with a subcontract for Services:
      - 1. All of the above (a) through (e); and
      - 2. Invoices for the materials.
    - f. Other documents to evidence compliance with contract terms reasonably available (e.g., outage report, specifications, invoices);
  - (ii) For services:

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- a. Time sheets reflecting labor used in connection with Contractor's performance of the Services included in the work, including description of work performed;
- b. Daily Head Counts, including complete name of the personnel, position, work assigned, working shift;
- c. Baseline Schedule and its revisions;
- d. Daily Progress Report with pictures;
- e. Organizational Chart of the Contractor;
- f. Daily Job Briefing executive summary with attendance sheet;
- g. One Week in advance planning;
- h. Welding Procedure Specification (WPS) supported by a Procedure Qualification Record (PQR or WPQR);
- i. MSDS of all chemical products to be brought onto PREPA's site by the Contractor or its Subcontractors;
- j. Safety and Emergency Plan;
- k. Weekly Quality Report – Performance of the Project:
  - 1. Work Schedule
  - 2. Activities completed
  - 3. Expected Date of completion
  - 4. Percentage of Completion on the applicable report date
  - 5. Narrative of milestones for the quarter
- l. Final Report upon completion of the Services and any materials or equipment provided in connection with the Services;
- m. Certificate of insurance as required in Article XII of the Contract.
- n. Licenses, permits and authorizations required to be in the Contractor's name to perform all services within Contractor's scope of supply of Contract.
- o. Contract documents in compliance with Commonwealth of Puerto Rico, as required in Article XI of the Contract.

**XXXVII. RETENTION REQUIREMENTS FOR RECORDS**

The Contractor agrees to maintain all books, records, accounts, and reports and all other records produced or collected in connection with this Contract for a period of not less than ten (10) years following the date of Contractor's receipt of final payment for the work. If any litigation, claim, or audit is started before the expiration of the 10-year period and

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PREPA provides the Contractor written notice of such litigation, claim or audit, the records must be retained until such litigation, claims, or audit findings involving the records have been resolved and final action taken.

#### **XXXVIII. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS**

The Contractor acknowledges that 31 U.S.C. Chap. 38 (Administrative Remedies for False Claims and Statements) applies to the Contractor's actions pertaining to this Contract.

#### **XXXIX. PROCUREMENT OF RECOVERED MATERIALS**

To the extent applicable to Contractor' scope of work, Contractor shall make maximum use of products containing recovered materials that are Environmental Protection Agency ("EPA")- designated items unless the product cannot be acquired—

- A. Competitively within a timeframe providing for compliance with the Contract performance schedule.
- B. Meeting Contract performance requirements; or
- C. At a reasonable price.

Information about this requirement, along with the list of EPA-designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.

#### **XL. PROHIBITION OF CONTRACTING FOR COVERED TELECOMMUNICATIONS EQUIPMENT OR SERVICES**

(a) Definitions. As used in this clause, the terms backhaul; covered foreign country; covered telecommunications equipment or services; interconnection arrangements; roaming; substantial or essential component; and telecommunications equipment or services have the meaning as defined in FEMA Policy 405-143-1, Prohibitions on Expending FEMA Award Funds for Covered Telecommunications Equipment or Services (Interim), as used in this clause –

(b) Prohibitions.

- (1) Section 889 (b) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232, and 2. C.F.R. § 200.216 prohibit



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the head of an executive agency on or after Aug. 13, 2020, from obligating or expending grant, cooperative agreement, loan, or loan guarantee funds on certain telecommunications products or from certain entities for national security reasons.

(2) Unless an exception in paragraph (c) of this clause applies, the Contractor and its subcontractors may not use grant, cooperative agreement, loan, or loan guarantee funds from the Federal Emergency Management Agency to:

- i. Procure or obtain any equipment, system or service that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology of any system.
- ii. Enter into, extend, or renew a contract to procure or obtain any equipment, system, or service that uses covered telecommunications equipment or services as substantial or essential component of any system, or as critical technology of any system;
- iii. Enter into, extend or renew contracts with entities that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any systems; or
- iv. Provide, as part of its performance of this contract, subcontract, or other contractual instrument, any equipment, system, or service that uses covered telecommunications equipment or services as a substantial component of any system, or as critical technology as part of any system.

(c) Exceptions.

(1) This clause does not prohibit contractors from providing –

- i. A service that connects to the facilities of a third-party, such as backhaul, roaming or interconnection arrangements; or
- ii. Telecommunications equipment that cannot route or redirect user data traffic or permit visibility into any user data or packets that such equipment transmits or otherwise handles.

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(2) By necessary implication and regulation, the prohibitions also do not apply to:

- i. Covered telecommunications equipment or services that:
  - 1. Are not used as substantial or essential component of any system; and
  - 2. Are not used as critical technology of any system.
- ii. Other telecommunications equipment or services that are not considered covered telecommunications equipment or services.

(d) Reporting requirement.

(1) In the event the contractor identifies covered telecommunications equipment or services used as substantial or essential component of any system, or as critical technology as part of any system, during contract performance, or the contractor is notified of such by a subcontractor at any tier or by any other source, the contractor shall report the information in paragraph (d)(2) of this clause the recipient or subrecipient, unless elsewhere in this contract established procures for reporting the information.

(2) The Contractor shall report the following information pursuant to paragraph (d)(1) of this clause:

- i. Within one business day from the date of such identification or notification; the contract number; the order number(s), if applicable; supplier name; supplier unique entity identifier (if known); supplier commercial and government entity (CAGE) code (if known); brand; model number (original equipment manufacturer number, manufacturer part number, or wholesaler number); item description; and any readily available information about mitigation actions undertaken or recommended.
- ii. Within 10 business days of submitting the information in paragraph (d)(2)(i) of this clause: any further available information about mitigation actions undertaken or recommended. In addition, the contractor shall describe the efforts it undertook to prevent, use or submission of covered telecommunications equipment or services, and any additional efforts that will be incorporated to prevent future

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use or submission of covered telecommunications equipment or services.

- (e) Subcontracts. The Contractor shall insert the substance of this clause, including this paragraph (e), in all subcontracts and other contractual instruments.

**XLII. DOMESTIC PREFERENCE FOR PROCUREMENTS**

As appropriate, and to extent consistent with the law, Contractor should, to the greatest extent practicable, provide a preference for the purchase, acquisition, or use of goods, products or materials produced in the United States. This includes, but is not limited to iron, aluminum, steel, cement, and other manufactured products. For the purposes of this clause:

- i. Produced in the United States means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- ii. Manufactured products mean items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe, aggregates such as concrete; glass, including optical fiber; and lumber.

**XLIII. EQUAL EMPLOYMENT OPPORTUNITY**

During the performance of this Contract, the Contractor agrees as follows:

- A. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- B. The Contractor will, in all solicitations or advertisements for employees placed by

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or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

- C. The Contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Contractor's legal duty to furnish information.
- D. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining Contract or other contract or understanding (if any) a notice advising the labor union or workers' representative of the Contractor's commitments under section 202 of the US Executive Order 11246 of September 24, 1965, as amended, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- E. The Contractor will comply with all provisions of Executive Order 11246, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- F. The Contractor will furnish all information and reports required by Executive Order 11246, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the Government of Puerto Rico, and the United States Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- G. In the event of the Contractor's non-compliance with the nondiscrimination clauses of this Contract or with any of such rules, regulations, or orders, this Contract may be terminated in whole or in part pursuant to Article III.C, Termination for Cause, and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246, or by rule, regulation, or order of the Secretary of Labor, or as otherwise

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provided by law.

- H. The Contractor will include the provisions of paragraphs (A) through (H) in every subcontract or purchase order, unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

PREPA further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if PREPA so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the Contract.

PREPA agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clauses and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administrative agency in the discharge of the agency's primary responsibility for securing compliance.

PREPA further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order.

In addition, PREPA agrees that if it fails or refuses to comply with these

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undertakings, the administering agency may take any of the following actions: cancel, terminate or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to PREPA under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from PREPA; and refer the case to the Department of Justice for appropriate legal proceedings.

**XLIII. COMPLIANCE WITH LAWS, REGULATION AND EXECUTIVE ORDERS**

This is an acknowledgement that FEMA financial assistance will be used to fund all or a portion of the contract. The Contractor shall comply with all Federal and Government of Puerto Rico law, regulations, Executive Orders, policies, procedures, and directives, to the extent applicable to the Contractor and required to fulfill this Contract.

**XLIV. AGREEMENT TO EXECUTE OTHER REQUIRED DOCUMENTS**

Contractor and all subcontractors, by entering into the Contract, understand and agree that funding for the Services is provided under Federal programs with specific contracting requirements. To the extent any such requirement is not otherwise set forth herein, Contractor agrees to enter into good faith negotiations for the execution of amendments or further agreements as may be necessary for PREPA to obtain Federal funding for this Contract.

**XLV. U.S. DEPARTMENT OF HOMELAND SECURITY SEAL, LOGO, AND FLAGS**

The Contractor shall not use the U.S. Department of Homeland Security seal(s), logos, crests, or reproductions of flags or likenesses of DHS agency officials without specific FEMA pre-approval.

**XLVI. NO OBLIGATION BY THE FEDERAL GOVERNMENT**

PREPA and the Contractor acknowledge and agree that the Federal Government is not a party to this Contract and is not subject to any obligations or liabilities to PREPA, Contractor, or any other party pertaining to any matter resulting from the Contract.

**XLVII. CONTRACTING WITH SMALL AND MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS**

If the Contractor intends to subcontract any portion of the work covered by this Contract, the Contractor must take all necessary affirmative steps to assure that small and minority

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businesses, women's business enterprises and labor surplus area firms are solicited and used when possible. Affirmative steps must include:

- A. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- B. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- C. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- D. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
- E. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce

**XLVIII. BUY AMERICAN**

This clause implements 41 U.S.C. chapter 83, Buy American, by providing a preference for domestic construction material. In accordance with 41 U.S.C. 1907, the component test of the Buy American statute is waived for construction material that is a commercial-off-the-shelf (COTS) item. See, e.g., FAR 12.505(a)(2).

In the performance of the work under this Contract, the Contractor, subcontractors, material men, or suppliers, shall use only (1) unmanufactured articles, materials, and supplies that have been mined or produced in the United States; and (2) manufactured articles, materials, and supplies that have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured in the United States.

- A. Contractor may request an exemption from this requirement from PREPA in writing for the following reasons:
  - (i) Unavailability of American-sourced products, i.e., if articles, materials, or supplies of the class or kind to be used, or the articles, materials, or supplies from which

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they are manufactured, are not mined, produced, or manufactured in the United States in sufficient and reasonably available commercial quantities and are not of a satisfactory quality; or

(ii) Unreasonable cost, i.e., the increased cost of American-sourced products, as delivered, renders compliance impracticable.

Any such request must be supported with adequate documentation. PREPA's Executive Director is solely responsible for determining whether an exemption is warranted. PREPA's Executive Director may also, in his or her discretion, grant an exemption if he or she determines doing so is in the public interest.

Notwithstanding all of the above, Contractor represents that the materials to be provided under this Contract are either (1) COTS items; or (2) not reasonably available in the United States. Based on these representations, PREPA Executive Director has determined an exemption is warranted for this Contract. In addition, PREPA Executive Director has declared a State of Emergency as to agency's generation fleet. As such, PREPA Executive Director has determined an exemption to the Buy American Act requirement is in the public interest with respect to this Contract.

#### **XLIX. PENALTY FOR DELAYS**

If due to Contractor negligence the final Services completion date is not achieved, within the timeframe established in the Work as described in Section I, A,i) , the Contractor shall pay to PREPA an amount equal to two thousand (\$2,000) dollars for each day of delay in completing the work, up to a maximum of ten percent (10%) of the Contract Price for services and up to a maximum of ten percent (10%) of the Contract Price for parts and, and the Contractor and any of its subcontractors shall be jointly and severally liable for said amount. The amounts payable for delay established in this Article are the sole and exclusive remedies for all delay claims and shall be paid as liquidated damages and not as penalty.

In case of delay, the Contractor shall, within ten (10) days from the beginning of any such delay, notify the Engineer in writing of the causes of delay who shall ascertain the facts and the extent of the delay and extend the time for completing the work when in his judgment, the findings of facts justify such an extension, and his findings of facts thereon shall be final and conclusive on the parties hereto, subject only to appeal by the Contractor as provided in ARTICLE XVII. Disputes, hereof; provided that, no claim shall be made by



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the Contractor against PREPA, its agents, contractors, subcontractors, employees, successors, assignees, for any cause whatsoever, during the progress of any portion of the services embraced in the Contract. Any damages caused by delays or hindrances exclusively by PREPA shall be considered as fully compensated for by the extensions of time as provided above.

If PREPA does not terminate the right of the Contractor to proceed, the Contractor shall continue the services, in which event shall continue to pay to PREPA the penalty in the amount set forth above for each calendar day of delay until the services are completed; provided that, the right of the Contractor to proceed shall not be terminated or the Contractor charged with a penalty because of any delays in the completion of the services due to force majeure events or situations, or failures on the part of PREPA to carry out its obligations.

PREPA shall have the right to the payment or to the withholding of Contractor's payments in case of Contractor's delay in completion of the services.

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**APPENDIX B: CERTIFICATION REGARDING LOBBYING FOR CONTRACTS,  
GRANTS, LOANS, AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31, U.S.C. § 1352 (as amended by the Lobbying Disclosure Act of 1995). Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

CONTRACTOR certifies or affirms the truthfulness and accuracy of each statement of its certification and disclosure, if any. In addition, CONTRACTOR understands and agrees that the provisions of 31 U.S.C. § 3801 et seq., apply to this certification and disclosure, if any.

\_\_\_\_\_  
Contractor Name

\_\_\_\_\_  
RFP/ITB/Contract Number

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

### **APPENDIX C: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION—LOWER-TIER COVERED TRANSACTIONS**

"Non-federal entities and contractors are subject to the non-procurement debarment and suspension regulations implementing Executive Orders 12549 and 12689, 2 CFR 180. These regulations restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities." (2 CFR 200.212)

This certification is required by regulations implementing Executive Order 12549, Debarment and Suspension, for all lower-tier transactions meeting the threshold and tier requirements. (2 CFR 180.300)

#### **Terms Defined**

- *Nonprocurement Transaction:* A transaction under federal non-procurement programs, which can be either a primary covered transaction or a lower-tier covered transaction. (2 CFR 180.970)
- *Lower-Tier Covered Transaction:* (1) Any transaction between a participant and a person other than a procurement contract for goods or services, regardless of type, under a primary covered transaction; (2) any procurement contract for goods or services between a participant and a person, regardless of type, expected to equal or exceed \$25,000; (3) any procurement contract for goods or services between a participant and a person under a covered transaction, regardless of amount
- *Participant:* Any person who submits a proposal for or who enters into a covered transaction, including an agent or representative of a participant. (2 CFR 180.980)
- *Principal:* An officer, director, owner, partner, principal investigator, or other person within a participant with management or supervisory responsibilities related to a covered transaction; or a consultant or other person, whether or not employed by the participant or paid with federal funds, who (1) is in a position to handle federal funds; (2) is in a position to influence or control the use of those funds; or (3) occupies a technical or professional position capable of substantially influencing the development or outcome of an activity required to perform the covered transaction. (2 CFR 180.995)
- *System for Award Management (SAM) Exclusions:* The list maintained and disseminated by the General Services Administration (GSA) containing names and other information about persons who are ineligible. (2 CFR 180.945).
- *Debarment:* Action taken by a debarring official to exclude a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 CFR chapter 1). A person so excluded is debarred. (2 CFR 180.925)

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- *Suspension:* Action taken by a suspending official that immediately prohibits a person from participating in covered transactions and transactions covered under the Federal Acquisition Regulation (48 CFR chapter 1) for a temporary period, pending completion of an agency investigation and any judicial or administrative proceedings that may ensue. A person so excluded is suspended. (2 CFR 180.1015)
- *Ineligible or Ineligibility:* A person or commodity is prohibited from covered transactions because of an exclusion or disqualification. (2 CFR 180.960)
- *Person:* Any individual, corporation, partnership, association, unit of government, or legal entity, however organized. (2 CFR 180.985)
- *Proposal:* A solicited or unsolicited bid, application, request, invitation to consider, or similar communication by or on behalf of a person seeking to participate or to receive a benefit, directly or indirectly, in or under a covered transaction.
- *Voluntary Exclusion:* A person's agreement to be excluded under the terms of a settlement between the person and one or more agencies. Voluntary exclusion must have governmentwide effect. (2 CFR 180.1020)
- *Voluntarily Excluded:* The status of a person who has agreed to a voluntary exclusion. (2 CFR 180.1020)

**Instructions for Certification**

1. By signing and submitting this proposal or agreement, the prospective lower-tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower-tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower-tier participant shall provide immediate written notice to the person to whom this proposal is submitted if at any time the prospective lower-tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower-tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower-tier participant agrees by signing or certifying and submitting this proposal or agreement that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower-tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

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6. The prospective lower-tier participant further agrees by signing or certifying and submitting this proposal or agreement that it will include the clause titled Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion—Lower-Tier Covered Transactions, without modification, in all lower-tier covered transactions and in all solicitations for lower-tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower-tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may but is not required to, check the non-procurement list.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower-tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

**Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion—  
Lower-Tier Covered Transactions**

1. The prospective lower-tier participant certifies, by signing or certifying and submitting this proposal or agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation.

\_\_\_\_\_  
Contractor Name

\_\_\_\_\_  
Contract Number

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

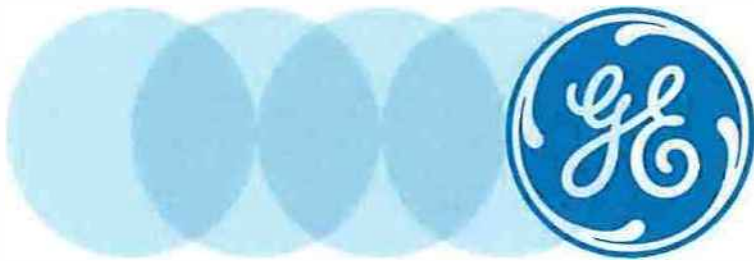
GE Steam Power Caribe, Inc.

# Steam Turbine Major Inspection

Puerto Rico Electric Power Authority

Site: Aguirre

Unit Serial: M00612



Prepared By: Miguel Angel Rico

Proposal : 1260395 Rev. 3

Customer Reference: RFP 00003289 by Joel D. Pantojas Caraballo dated December 23rd, 2021.

Proposal Date: December 23, 2021

## GE Steam Power Caribe, Inc.

<b>To:</b>	Puerto Rico Electric Power Authority Road 28 Zona Portuaria Pueblo Viejo Guaynabo, 00920, Puerto Rico	<b>Proposal</b>	1260395 Rev. 3
		<b>Serial Number</b>	M00612
<b>Attn:</b>	Eng. Francisco Márquez, Head of Maintenance, Aguirre Complex	<b>Date</b>	<b>December 23, 2021</b>
<b>Telephone:</b>	W (787) 521-3918,	<b>Offering Type</b>	Firm
<b>Email:</b>			

---

GE Steam Power Caribe, Inc. (GE) is pleased to submit this Proposal to Puerto Rico Electric Power Authority (PREPA). This Proposal is for the purpose Steam Turbine Major Inspection Services for Aguirre , Steam Turbine M00612 GE is confident that this scope, as prepared and commented on by our technical staff, is complete and contains all the elements necessary to assure quality performance, in a timely manner and at a reasonable cost to PREPA.

<b>Name</b>	Orlando Soto
<b>Title</b>	Senior Sales Manager
<b>Address</b>	383 F.D. Roosevelt Avenue, Edificio Fundación Angel Ramos, Hato Rey, San Juan PR 00918, USA
<b>Telephone</b>	(787) 999-6410; (787) 999-6400
<b>Email</b>	

## Proprietary Statement

This entire commercial and technical Proposal 1260395 Rev. 3 and the correspondence and communications concerning this Proposal, collectively the "Proposal," developed by GE and provided to Puerto Rico Electric Power Authority (PREPA) are the property of GE.

This entire document is proprietary to GE and is furnished in confidence solely for use in considering the merits of the Proposal and for no other direct or indirect use. By accepting this document from GE, the recipient agrees:

- To use this document, and the information it contains, exclusively for the above stated purpose and to avoid use of the information for performance of the proposed work by the recipient or disclosure of the information to, and use by, competitors of GE on behalf of the recipient.
- To avoid publication or other unrestricted disclosure of this document or the information it contains.
- To make no copies of any part thereof without the prior written permission of GE.
- To return this document when it is no longer needed for the purpose for which furnished, or upon request of GE.



## Power Services- A Message to Puerto Rico Electric Power Authority

### Our Vision

At Power Services, a business unit of General Electric Company, we are committed to meeting the present and future service needs of energy companies. Our customers deserve a digital-industrial partner that helps maximize performance, minimize risk, and consistently deliver high-quality service solutions.

### Who We Are

Power Services is a market-focused, customer-driven organization providing services, upgrades, repairs, parts, multi-year agreements, operations and maintenance - as well as advanced digital solutions - for assets supplied by GE and other original equipment manufacturers (OEM's). With the largest power plant services portfolio in the industry, our cross-fleet approach allows us to support more than 90 OEM brands of gas and steam turbines, generators, boilers and other balance-of-plant equipment. Customer service excellence is at the heart of our business. Power Services recognizes that our energy industry customers generate and use power in highly engineered processes, thus reliability and productivity are paramount.

Our FieldCore Division differentiates us from our competitors. An organization backed by over 125 years of experience and reflects one main purpose - to deliver the highest standard of field services excellence and to advance our customers' critical industrial assets. Our experienced field engineers are highly motivated and dedicated professionals. They provide our customers with proactive technical innovation, problem solving, and sound project management, and are backed by a highly skilled team of technical support engineers. Built from the field up with talent, expertise and best practices, all our Field Engineers receive extensive training and are equipped with digital tools and mobile devices that enable around-the-clock access to our product service department and personnel. PREPA can depend on our Field Engineering expertise, 24 hours a day, 365 days a year.

GE's commitment to technical innovation has never been more exciting or demanding. Technical excellence is at the forefront of our mission to provide successful solutions for our customers. With next-generation tools, finely tuned processes, and total plant solutions, our goal is to deliver services faster, more reliably and with greater safety, so our customers can consistently deliver the outcomes their operations and stakeholders demand.

Our value to PREPA as a digital-industrial service organization is measured by our field services operating excellence, the innovation of our technical solutions and the customer outcomes we deliver.

## Revision Summary

Revision	Description	Date
0	Standard standalone Proposal	January 22, 2021
1	Revision 1, Proposal, includes Generator basic tests in scope.	May 12, 2021
2	Revision 2, Proposal, includes contingency services unitary pricing.	October 8 <sup>th</sup> , 2020
3	Services firm RFQ version with 3% discount included.	December 23, 2021

## Executive Summary

Steam Turbine Major Inspection defined scope of works may include equipment disassembly, inspection and reassembly of applicable components in accordance with GE maintenance procedures and specifications. Based on the visual inspection of the "as-is" condition of the components, GE will provide recommendations on parts replacement or repair as needed and will make every effort to expedite repairs and or parts necessary to meet customer outage expectations.

GE implement(s) lean six-sigma practices and processes learned from our Lean Events across the world to continually increase customer value.

Our continuous improvement approach leverages "best practices" to maximize efficiency, and robust contingency planning to minimize schedule risk. Our goal is to maximize customer value. GE embrace(s) the opportunity to partner with Puerto Rico Electric Power Authority for the execution of this service and we are confident that it will lead to an ongoing mutually beneficial partnership.

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# 1 Scope of Supply

Service scope is described in Annex 1.

## 2 Project Schedule

### 2.1 Work Scope Schedule

For the purposes of this Proposal, GE is estimating the following cycles:

- Total cycle: 57 days from Turning gear off to turning gear on.

The main focus of the proposed on-site work relating to the scope of supply indicated in Section 1 shall be performed working the following schedule:

Hours per shift **12**

Shifts per day **2**

Days per week **7**

This Proposal is based on the proposed work schedule. Deviation from this Proposal resulting in work on holidays, unscheduled weekend or shift work will be charged on a time and material (T&M) basis per the rate schedule indicated in Section 5.

### 3 Proposal Basis

This Proposal is based on the assumptions and clarification and the distribution of responsibilities between GE and PREPA described below:

#### 3.1 Responsibilities Matrix

Environmental Health and Safety				
Item	Responsibility	PREPA	GE	NA
1	Personal safety equipment. Other safety requirement specific to site are not part of this scope of supply.		✓	
2	Disposal of all hazardous materials (including Lead and Asbestos) per federal, state, local and site requirements.	✓		
3	General safety orientation of GE labor force		✓	
4	Site safety orientation for labor force.	✓		
5	First aid facility & fire protection.	✓		
6	Isolate and tag out (LOCKOUT-TAGOUT) all relevant systems associated with work scope (chemical, electrical, mechanical, steam & environmental)	✓	✓	
7	Confined space work monitoring, equipment, and calibration thereof.	✓		
8	Provide any required additional fire watch personnel over one person, if more than one person is necessary.	✓		
9	Testing for hazardous material (lead, asbestos) and disposal and abatement of such. It is with the understanding that no hazardous material exist to perform work scope unless specifically noted otherwise in the Proposal	✓		
10	Load test cranes (certificate of compliance). All overhead cranes to be inspected per OSHA 1910.179, with certificates available for GE to review.	✓		

Tooling/Equipment				
Item	Responsibility	PREPA	GE	NA
1	Normal maintenance tools needed to perform "Workscope" described here in.	✓		
2	Special tools and equipment originally supplied with the unit.	✓		
3	Expendable materials (rags, hones, joint and bolt compounds, solvents, etc.).	✓		
4	Acetylene and Oxygen	✓		

# GE Steam Power Caribe, Inc.

Tooling/Equipment				
5	Scaffolds (including the manpower to erect/disassemble). (Including once per shift inspections, ref. GE EHS-03M, Scaffold Safety.)	✓		
6	Engine driven welding machine, leads & fuel.	✓		
7	Material for protection of laydown surfaces and heaters.	✓		
8	Crane capable of supporting all load lifts required to perform the work.	✓		
9	Rotor supports and cribbing material for equipment requiring lay down.	✓		
10	Round trip transportation and shipping skid for components being sent to GE Service Center.	✓		
11	Supply a site truck or van for local job use.	✓		
12	Ice and water for GE personnel	✓		

Project Supervision				
Item	Responsibility	PREPA	GE	NA
1	Technical Direction		✓	
2	Coordination of GE Service Shop work on-site and in-shop			✓

Facilities				
Item	Responsibility	PREPA	GE	NA
1	Normal plant service required for maintenance such as light, heat, water, compressed air and electric power.	✓		
2	Wash facilities	✓		
3	Sanitary facilities	✓		
4	Change and lunch facilities for crew.	✓		
5	Office area and telephone for GE personnel. Office location to be mutually agreed.	✓		
6	Trash containers & disposal of all trash from containers as required.	✓		
7	Supplementary lighting	✓		
8	Receiving, off-loading and proper storage of all new and refurbished parts (including manpower), mobilization to work area.	✓		
9	Machine shop facilities, on-site machining and painting as required.	✓		
10	Designated work and lay down area accessible by crane and fork truck for tools, equipment and turbine parts	✓		
11	Parking space for GE's work force	✓		
12	Parts cleaning equipment and fluids	✓		
13	Provide portable air compressor as necessary to support the work scope	✓		

Craft Labor				
Item	Responsibility	PREPA	GE	NA
1	Specialized craft labor to perform the scope of work defined.		✓	
2	Provide crane operator(s)	✓		

Craft Labor				
3	Labor & equipment to disassemble, reassemble and calibrate instrumentation (unless specifically in GE scope).	✓		
4	Electricians/Technicians to lock-out/tag-out disconnect and reconnect wiring & conduit necessary to support scope of supply for disassembly and reassembly of components	✓		
5	Electricians/Technicians to disassemble, reassemble and calibrate Turbine instrumentation	✓		
6	Electricians required to connect and disconnect portable electrical equipment (Equipment that must be hardwired (Not plug in))	✓		
7	Electrical tests and necessary maintenance and/or repairs on all electrical equipment motors or power circuits, if required	✓		
8	Labor to drain and refill Lube oil system, hydrogen seal oil system, stator cooling system	✓		
9	Labor to support loading and offloading GE tooling and equipment	✓		
10	Periodic electrical megger testing to monitor generator field condition during outage	✓		
11	Labor and Material related to the removal and installation of insulation required to access turbine and components	✓		
12	Bore scope inspection			✓
13	Non destructive test services (dye penetrant)	✓		
14	Blast Cleaning	✓		
15	Non destructive testing (Mag particle)	✓		
16	Non destructive testing (Ultrasonic)	✓		
17	Drilling and tapping of broken bolts ½" diameter or more	✓		
18	Rodding of all heat exchangers including generator coolers, lube oil coolers, stator water cooling	✓		
19	Oil flush	✓		
20	Painting	✓		

Item	Responsibility	PREPA	GE	NA
1	Stator and/or exciter shim packs	✓		
2	Temporary coupling bolts and alignment pins	✓		
3	Gaskets, O- rings, seals	✓		



### 3.2 Assumptions and Clarifications

1. For parts not specifically included in the Scope of Supply, Sufficient spare and renewal parts will be provided by PREPA and will be on hand at the beginning of the site activities as to prevent any delays resulting from repair or procurement time (applicable for those parts not described in section 1).
2. All components shall be properly packed by PREPA for transportation purposes and GE will return the parts to PREPA's original packing. GE has not included any allowance for packing in this offer.
3. Transport boxes will need to be made out of wood that has been heat treated and shows an IPPC stamp.
4. All material and/or replacement parts, which become a permanent part of the unit after installation will be furnished by PREPA unless specifically specified as being furnished/supplied by GE within this Proposal.
5. Safety: An "on-site" safety checklist will be utilized by GE as a minimum for conformance to safety while on PREPA's property. Additionally, GE will conform to safety requirements for personal protective clothing and devices, such as safety glasses (side shields if required), hard hats, hand protection, (gloves if required).
6. It is assumed that no hazardous material will be encountered in performing the work scope. Disposal of any hazardous or regulated material will be the responsibility of PREPA.
7. GE shall furnish PREPA with a complete list of inspection results, including details of conditions found, corrective actions taken and unusual conditions observed, along with a list of parts expended during the inspection to include those recommended for the next inspection.
8. Work scope and Pricing assume that the customer equipment maintains original GE design and manufacturing specifications. Any previous modifications that deviate from the original GE specifications will result in a review and/or modification of the work scope and additional costs to be billed to the PREPA.
9. If GE encounters toxic substances, hazardous substances, or hazardous wastes (as such terms may be defined in any federal, state, or local statute or ordinance, or regulations issued there under) at the site that require special handling and/or disposal, PREPA shall immediately take whatever precautions are required to legally eliminate such hazardous conditions and properly handle and dispose of such substances or wastes, so that the work under the may safely proceed. If any such toxic substances, hazardous substances, or hazardous wastes cause an increase in GE's cost of, or time required for, performing any part of the work under this, an equitable adjustment shall be made in the price and schedule
10. In the case where it is found that welding, cutting, or grinding of material containing **Hexavalent Chromium** to be either directly or indirectly involved in the work as reflected in this Proposal and which warrants procedures necessary to adhere to occupational and safety guidelines as outlined by local, state, and/or federal guidelines, the customer retains responsibility to reimburse GE Energy Services for such work at cost plus 25% or subcontract the work to a third party at their discretion. Any additional exposure to direct or indirect costs to GE scope attributable to addressing **Hexavalent Chromium** issues will be billed to the customer at time and material rates as reflected in this contract.

## GE Steam Power Caribe, Inc.

11. Any idle time or delays to the work scope schedule caused by repair work or any unforeseen occurrence not attributable to GE's personnel shall be the responsibility of PREPA. Authorized extra work shall be documented separately.
12. Any repair recommendations will not include GE proprietary procedures.
13. Prices do not include time for safety or in-processing training of GE personnel.
14. No Training has been included in this Proposal. GE would be pleased to provide a quote for standard or customized training performed either at your site or at one of the GE training facilities

## 4 Commercial Summary

### 4.1 Base scope pricing.

GE is pleased to provide the work scope as indicated in the Scope of Supply under Section 1, per the Schedule outlined in Section 2, and with the Responsibilities described in Section 3 for the Firm pricing of:

Table 1: Commercial summary for Annex 1

No.	Scope	Cycle	Price (USD)
1	PREPA AGUIRRE UNIT #1 STEAM TURBINE MAJOR INSPECTION TURBINE TYPE: Alstom (BBC) DSYTT41448B	57 days from turning gear off to turning gear on	4,889,725.38 USD
<b>Total amount</b>			<b>4,889,725.38 USD</b>

With a total estimate of 4,889,725.38 USD (four million eight hundred eighty nine thousand seven hundred twenty five dollars 38/100 USD USD).

### 4.2 Contingency pricing:

Below contingency Indicative pricing is provided as per PREPA's request to evaluate contingency repairs and/or services during outage. The scope for contingent works is described in Annex 2. These contingency indicative prices are not included in the major outage base scope defined section 4.1., Annex 1, please refer to Annex 2

Table 2: Contingency unitary pricing for Annex 2

No.	Reference in Annex 2.	Description	Unitary Price (USD)	Unit	Cycle base (*)
1	1.1.1.1.1 or 1.1.2.2, i)	IP or LP Outer Casing Welding first feet of dam welding repair, including mobilization, demobilization, and tooling	\$111,166.79	First weld repair feet.	7 days
2	1.1.1.1	Additional IP Outer Casing Welding per additional feet quote (assuming PREPA buys scope No. 1).	\$18,786.18	By additional feet	2 days
3	1.1.1.2 or 1.1.1.3	IP Flanges Machining, per day quote, by flange.	\$39,277.88	By Day of work	1 day
	1.1.2.1	LP Outer Casing welding repair on gland area casing, by day. Ligh touch up repair only, no heat treatment.	\$5,542.20	By Day of Work	1 day
	1.1.3.1	EVK 160 Valves works machining and/or welding. This assumes GE is performing major, including IP Stem modification.	\$52,831.00	Limited to 4 days, as scope in Annex 2 Reference	4 days
	1.1.3.2	HP Valves works	\$76,921.51	Limited to 3 days as in Annex 2 reference.	3 days
	1.1.2.2, i) or 1.1.2.3, ii)	LP Rotor - seals and blades replacement (without L-0 and L-1) - per day (Assumes bladers and machinist that are already on site for during major outage)	\$23,870.50	Per day of work	1 day
	1.1.3.3	Non-Return valve any minor repair welding / hand adjustments	\$17,299.75	Per day of work	1 day
	1.2.1.1 or 1.2.1.2	Auxiliaries' contingency services	\$6,154.00	Per day of work	1 day
	1.2.1.3 or 1.2.1.4 or 1.2.1.5	Trip Unit Round Transport Only (not including the refurbish service, GE assumes PREPA did the refurbished in a different service)	\$11,816.00	Per round trip	14 days

Notes: (\*) Cycle in this table is not included in Major outage cycle. Final affectation to outage cycle will be revised on a case-by-case basis with PREPA. GE assumes that performing any of the contingency jobs will entitle GE to increase price& cycle described in section 4.1 and section 2.

### 4.3 Pricing Limitations

1. The quoted price is in USD, are net and does not include applicable sales, VAT, or tax value.
2. Consequently, in addition to the price specified herein, the amount of any present or future sales, use, excise or similar tax applicable to the work hereunder shall be paid by Buyer or in lieu thereof, Buyer shall provide Seller with the tax exemption evidence acceptable to the taxing authorities.
3. The Services provided in this Proposal are based on standard General Electric practices. The Prices are for technical assistance only. Additional repair work, spare parts or major replacement parts will be considered extra work
4. The requirement for additional repair work, spare Parts or major replacement Parts can only be identified at the time of performing inspection. If any additional Repair Services spare Parts or major replacement Parts are required, GE will issue a Proposal to PREPA in the form of a new Proposal offering. This new Proposal, subsequent PREPA's Purchase Order and Seller's acceptance in writing will form the basis of a Change Order and shall be invoiced separately to AES. Each change order will be evaluated to determine its impact on the Services Schedule and an equitable adjustment to the schedule made.
5. This Proposal is subject to Technical Assistance Specialty engineer availability on the date of acceptance by PREPA of this Proposal.

## 5 Commercial Terms

### 5.1 Delivery Terms

N/A, service to be done on site. No spare parts are included in this proposal.

### 5.2 Payment -Terms

Payment shall be in U.S. Dollars due Net 30 upon receipt of GE's invoice without any setoff (including, without limitation, setoff under other contracts with Seller or with General Electric Company or its affiliates). These terms will take precedence over any conflicting payment terms referenced.

Payment Milestone	Percent of Contract
PO Formalization	30%
Mobilization to site	20%
End of services on site	50%

**Note:** The above payment terms are subject to change in accordance with buyer's total credit obligations at the time the purchase order is issued.

### 5.5 Terms and Conditions

This proposal to and exclusively governed by GE Products and/or Services Terms and Conditions Attached. In case of conflicts between the terms contained in this proposal and the before mentioned terms and conditions, the terms stated in this proposal shall take precedence. For purposes of this proposal, all references to "GE" in the Terms and Conditions shall mean GE Steam Power Caribe, Inc. .

GE is in the disposition to agree with Puerto Rico Electric Power Authority terms and conditions based on previous negotiations and terms and conditions that have been agreed between the parties.

*The impacts of Coronavirus cannot be reasonably determined at this time. This GE Proposal did not account for any potential adverse impacts of Coronavirus to GE's performance of obligations. In the event of any delays and adverse impacts, GE reserves the right for an equitable adjustment to modify the schedule and prices herein to offset the effects of Coronavirus delays.*

### 5.6 Attachments :

Annex 1: Services scope

Annex 2: Contingent services scope

Annex 3: Products and/or Services Terms and Conditions. Products and/or Services Terms and Conditions (Sept. 2019).

## 6 Extra Work Rates

### 6.1 Rate Definition and Schedules

Out of scope work (extra work) is defined as any work not specifically called for in GE's Proposal and will be formally agreed to by PREPA and GE before it is performed.

In the event extra work is necessary during the performance of the work scope, the extra work can be performed on a lump sum firm price basis for which a quote will be provided as needed or on a time and material basis. Time and Material work will be performed at GE rates current at the time the work is performed. GE's current rate sheet, at the time of this Proposal, is included below. In the event extra work requires the skills of a specialist, craftsman or technician for whom extra work rates are not included in this quote, the extra work hourly rates will be provided as needed.

No extra work will be performed without the prior authorization of the designated PREPA representative. PREPA will designate personnel responsible for authorizing extra work.

The following is an example of, but not limited to, extra work items:

1. Any necessary work not specified in the Services Scope of Work (Section 1) section of this Proposal.
2. Loss of productivity due to any/all delays.
3. Start-up support (craft and supervision), if any, beyond that outlined under the Services Scope of Work (Section 1).

## GE Steam Power

## Latin America

Effective:

## Technical Field Advisors &amp; OSS Technician Published Rates

May 1, 2021

Hourly Rates U.S. Dollar

Description	ST	OT1	OT2
<b>Technical Field Advisors</b>			
Mechanical Field Engineer	\$340	\$510	\$680
Specialty Field Engineer	\$470	\$705	\$940
Onsite Project Manager	\$515	\$773	\$1030
Project Control Specialist	\$300	\$450	\$600
<b>On-Site Services (OSS) Technicians</b>			
Generator Winder	\$330	\$495	\$660
On Site Supervisor	\$335	\$503	\$670
Specialty Machinist	\$305	\$458	\$610
Steam Repair Specialist	\$320	\$480	\$640

Technical Field Advisor Service

Technical Advisory Service is defined as technical advice and counsel from field personnel based on engineering and operational practices as applicable to the equipment. TFA Services do not include supervision or management of purchaser's employees, agents or other contractors.

Onsite Project Manager

This service includes all outage manager responsibilities including planning, organizing, integrating and monitoring of resources such as labor, supervisors, tools and technical assistants.

Project Control Specialist

Personnel utilized to support project scheduling and controllership activities.

Specialty Field Engineers

Below are several examples of Specialty Field Engineers offered by GE. Please consult with your local GE Steam Power representative for any Specialty Field Engineers which are not listed.

Generator FE	Technical advice and counsel for the inspection, test and repair of generator equipment
Controls FE	Start-up support and troubleshooting of turbine controls systems. Performs device calibrations
Excitation FE	Start-up and troubleshooting of excitation systems, including static start, load commutating inverter (LCI) equipment
Vibration FE	Vibration data acquisition and analysis, perform a diagnostic balance program, make recommendations and install balance weights
Laser Alignment FE	Use GE proprietary digital laser alignment equipment, technology and fleet data to optimize internal component alignment

Rate Terms

1. The normal workday and normal workweek are defined as eight (8) consecutive hours and five (5) consecutive normal workdays, respectively, excluding any holidays or weekends.
2. The Overtime 1 rate applies to billable hours on Saturday and normal workday hours greater than 8 but less than 12 consecutive hours.
3. The Overtime 2 rate applies to billable hours on Sundays, holidays and normal workday hours greater than 12 consecutive hours.
4. Travel time will be charged at the applicable hourly rate (i.e., standard rate times applicable rates as set forth in 1 above) on a round trip basis with point of departure.
5. Travel & Living (T&L) expenses will be billed at cost plus 20%.
6. Purchased labor and materials will be billed at cost plus 30%.
7. Consult with your local GE Steam Power representative to determine any applicable charges for special tooling and/or test equipment or any taxes, fees or VAT that may be in addition to the above rates.
8. Minimum billing of 8 hours for all services provided, including standby time. Minimum standby time is 8 hours at the standard rate (weekdays and weekends).
9. Consult with your local GE Steam Power representative for any rates for services which are not included on this sheet.
10. All rates are based on GE's standard terms and conditions of sale (PSTC).

On-Site Services (OSS) TechniciansGenerator Winder

Specialists experienced in the inspection, test and repair of rotating electrical equipment including synchronous power generators, exciters & excitation equipment and related auxiliaries.

On Site Supervisor

Specialists experienced in directing the work activities of Generator Winders, Steam Technicians or Machining Technicians, excluding technical advice and counsel.

Specialty Machinist

Specialists utilizing computer-aided repairs including robotic welding, CNC, machining and other similar services.

Steam Repair Specialist

Specialist maintaining and repairing steam turbines.

Steam Power Engineering Requests (ER)

The Steam Power Engineering Request ("ER") will provide technical support for customer questions. The customer will be charged for ER responses to one question on one topic (such as, historical records, fleet data, and unit specific data). For each follow-up question, responses and/or telephone call, GE will charge the customer at the hourly rate listed above. GE will determine at its discretion whether any question warrants a funded engineering study. Any such engineering study will be quoted based on the customer's specifications.

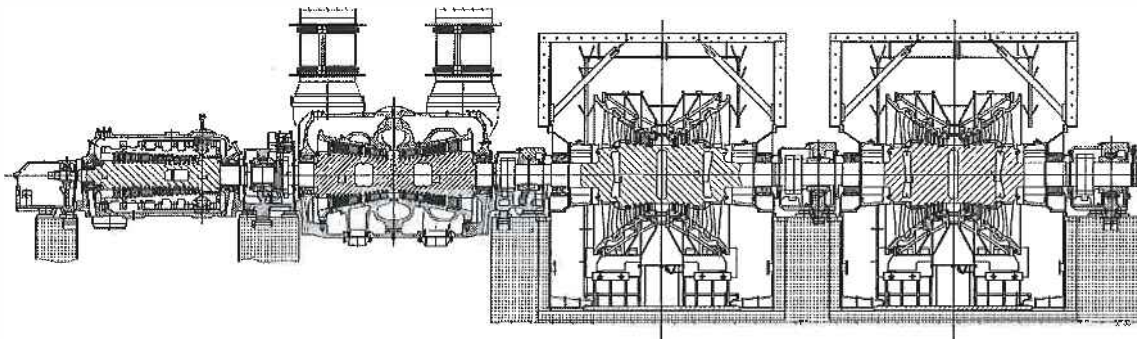
ER pricing per case \$4,000



GE Proprietary Information

## Annex 1: Services Scope






**PREPA AGUIRRE UNIT #1**  
**STEAM TURBINE MAJOR INSPECTION**  
**TURBINE TYPE: Alstom (BBC) DSYTT4I448B**  
**Equipment ID: SY0016382**  
**Turbine Serial Number: M00612**

**SCOPE DESCRIPTION**


Customer: Puerto Rico Electric Power Authority  
Budgetary Quotation No. 1555613

GE Proprietary Information

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## 1 Introduction

This document provides a general overview on scope of works during the Major (C-) Inspection on GE, RTB turbine RT-design with 4 casings and is based on OCCC inspection which is the basis for the corresponding 4-casing turbine outage time-schedule.

The turbine modules specifics are HP inner block (shrink ring), IP double flow and 2x LP turbine with bladed inner casing.

### 1.1 Abbreviations

HP:	High Pressure
IP:	Intermediate Pressure
LP:	Low Pressure
ST:	Steam Turbine
GEN:	Generator
NDT:	Non-Destructive Testing


## 2 Major (C-) Inspection for RT 4-casing Turbine

Based on GE knowledge as the OEM of the turbine-generator-set.

Major Inspection (C-inspection) mainly comprises following components:

- HP turbine
- IP turbine
- 2 x LP turbine
- Steam valves
- Cold Reheat and Extraction Non-Return Valves
- Bearings and couplings
- Hydraulic system/parts
- Generator

The scope of the ST inspection is described in the following chapter.

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## 2.1 Scope of Service

### 2.1.1 On-Site Service

#### 2.1.1.1 General Works

- Fact finding of relevant parts acc. GE's recommendation for steam turbine inspection
- Preparation of Refurbished HP inner block and Gland seals casing for installation
- Preparation of Refurbished IP inner block and Gland seals casing for installation
- Visual Inspection of disassembled parts
- Inspection and documentation according to GE standard
- Foundation levelling
- Block foundation springs before overhaul and loosen the springs after the overhaul (if applicable)
- Check pre-stress of foundation bolts
- Dis- and reassembly or set blind disk of control oil pipes (if necessary)
- Dis- and reassembly or set blind disk of lube oil pipes (if necessary)


#### 2.1.1.2 Cross-Over Pipe IP-LP &LP2 Turbine (2 pc.)

- Loosen flanges of the cross-over pipe
- Removal of cross-over pipe including blocking of compensator
- Cleaning of flanges by hand
- Visual inspection from inside the pipe
- Non-Destructive Testing:
  - at pipe (weld seams and internal guide plates)
  - at compensator

- ❖ Following tasks need to be executed before start overhaul:
  - Non-Destructive Testing of the rigging points

#### 2.1.1.3 Bearings blocks

- Check of shaft lifting and oil wiper clearances
- Dis- and reassembly of bearing cover and check of bearing clamping
- Dis- and reassembly of thermo-couples
- Dis- and reassembly of bearing shell (upper and lower part) and dimension checks
- Dis- and reassembly of oil wipers
- Check shaft position in pedestal with mounted bearing
- Non-Destructive Testing:
  - Ultrasonic testing of bearing babbits
  - Dye penetrant test of bearing babbits
- Sliding surfaces, elements, guides and keys at the bearings will be dismantled, cleaned and inspected
- Cleaning of the joint surfaces by hand

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**In addition, on thrust bearing**

- Check of axial clearance with and without upper half
- Dis- and reassembly of seal rings
- Dis- and reassembly of springs and thrust pads

**In addition, on generator bearing:**

- Isolation measurement
- Not included in OCCC – on actuals:
  - Replacement of caulked profiles at oil wipers

**2.1.1.4 Couplings**

- Check coupling run-out
- Opening coupling bolts
- Removal of coupling bolts and expansion sleeves (if any)
- Check coupling parallelism during dis- and reassembly
- Cleaning, check and reassembly of coupling bolts
- Check of the alignment of the entire shaft line
- Not included in OCCC – on actuals:
  - realignment of shaft line incl. the generator, shaft sealing and brush gear (No pedestals to foundation or to other pedestals or casings is included in this activity)


**In addition, on coupling IP x LP1**

- Check coupling bores alignment
- Honing coupling bores, if necessary
- Machining new set of coupling bolts, if necessary
- Reassembly coupling bolts

**2.1.1.5 HP Turbine**

HP Outer Casing

- Sliding surfaces, elements, guides and keys at the HP casing will be dismantled, cleaned and inspected
- Dis- and reassembly of start-up probe
- Disassembly of upper HP control valves and removal of diffusors to allow for disassembly of the HP turbine; bottom HP inlet pipes remain installed
- Turning-gear disassembly
- Disassembly upper half of HP outer casing
- Dis- and reassembly of front and rear gland seal casings
- Dis- and reassembly of gland seal segments
- Disassembly HP innerblock
- HP outer casing (upper and bottom half):


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- Cleaning by hand, gap measurement of joint surfaces (no blue imprint) and distortion measurement
- Not included in OCCC – on actuals:
  - Blue imprint check and following correction of distortion and/or rework of joint faces if necessary; additional blue imprints might be required
- Non-Destructive Testing:
  - as defined by GE
- Cleaning by hand of upper inlet flange (connection to valve casing)
- Not included in OCCC – on actuals:
  - Remachining of flanges; additional blue imprints might be required
- Installation of refurbished HP inner module and Gland Seal Casings:
  - Inner/outer casing and position check:
  - Perform initial coupling parallelism checks and position checks.
  - Lift HP rotor/inner block and install positioning shims as required. Install refurbished gland casings at both ends of the HP turbine. Align and fit the refurbished gland casings relative to the rotor positions.
  - Install the HP upper half outer casing. Tension the cylinder bolts.
  - Perform final coupling parallelism checks. Correct as required. Install and tension coupling bolts.
  - Reinstall the two upper live steam inlet pipes. Align and tension special pipe unions and the flange connections at the casing. PREPA will machine the surfaces to correct the sealing.
  - Restore the front standard. Install new O-ring seals (supplied by PREPA). Restore bearings #1 and #2. Reinstall the turning gear motor. (Electrical support will be provided by PREPA)
  - Reinstall and perform a run-out adjustment of the over speed trip device (mechanical over speed trip device “bolts” will be blocked).
  - Inspection, alignment and position correction of the thrust bearing.
- Reassembly of HP outer casing
- ❖ Following tasks need to be executed before start overhaul:
  - Non-Destructive Testing of the rigging points

#### **2.1.1.6 IP Turbine**

##### IP Outer Casing

- Sliding surfaces, elements, guides and keys at the IP casing will be dismantled, cleaned and inspected
- Dis- and reassembly of upper and bottom IP intermediate piece (IP valve casing – IP turbine outer casing) to allow for disassembly of the IP turbine
- Disassembly upper half of IP outer casings
- Dis- and reassembly of gland seal casings
- Dis- and reassembly of gland seal segments
- Disassembly IP inner casing (upper and bottom half) and IP rotor
- IP outer casing (upper and bottom half):

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- Cleaning by hand, gap measurement of joint surfaces and distortion measurement
- Not included in OCCC – on actuals:
  - Blue imprint check and following correction of distortion and/or rework of joint faces if necessary, additional blue imprints might be required
- Non-Destructive Testing:
  - as defined by GE
- Cleaning by hand of upper and bottom inlet flange
- Not included in OCCC – on actuals:
  - Remachining of flanges; additional blue imprints might be required
- Visual inspection of steam ducts at extractions
- Not included in OCCC – on actuals:
  - Replacement of steam ducts; remachining might become necessary
- Installation of IP Refurbished Inner module and Gland Seals Casing:


Install refurbished gland casings at both ends of the IP turbine. Align and fit the refurbished gland casings relative to the rotor position.

- Install the factory refurbished IP rotor and casing as a drop-in assembly.
- Perform initial coupling parallelism checks and position checks.
- Lift IP rotor/inner block and install positioning shims as required.
- Loosen measure and realign the lower extraction piping as required.
- Install upper outer IP casing. Tension the hydraulic style outer casing horizontal joint bolts.
- ITH tensioning equipment presently in PREPA's possession is required for this step.
- Perform final coupling parallelism checks, install and tension coupling bolts.
- Install bearing #3 upper half. Close bearing pedestals and install coupling guards.
- Reconnect the two (2) upper steam inlet flange connections, align and correctly tension the flange bolts hydraulically.
- Reinstall and reconnect the crossover pipes between the IP casing and LP Turbines 1 and 2.
- Replace turbine enclosure sections that were removed for the purpose of the work scope.
- Reassembly of IP outer casing
- ❖ Following tasks need to be executed before start overhaul:
  - Non-Destructive Testing of the rigging points

#### 2.1.1.7 LP Turbine (LP 1 & LP2)

##### LP outer casing

- Dis- and reassembly of manholes
- Dis- and reassembly of steam ducts, if any
- Dis- and reassembly upper half outer casing
- Disassembly of gland seals

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- Non-Destructive Testing:
  - as defined by GE
- o Not included in OCCC – on actuals:
  - Rework of gland seal bores at the outer casing

#### LP bladed inner casing

- Dis- and reassembly of bladed inner casing upper and lower half
- Dis- and reassembly of LP rotor
- Sliding surfaces, elements, guides and keys at the LP casing will be dismantled, cleaned and inspected
- Non-Destructive Testing:
  - Airfoil, transition blade-to-root and shroud of stationary blades LP left + right (assembled condition)
  - Critical areas defined by GE
- o Not included in OCCC – on actuals:
  - Replacement of stationary sealing stripes and blades
  - Blue imprint check and following correction of distortion and/or rework of joint faces if necessary; additional blue imprints might be required

#### LP rotor


- Disassembly of L-0 and L-1 (left + right)
- Non-Destructive Testing:
  - Airfoil, transition blade-to-root and shroud of rotating blades (assembled condition)
  - Blades complete of row L-0 and L-1 (disassembled condition)
  - Groove row L-0 and L-1 complete after disassembly of blades
  - Axial lock grooves
  - Welding seam and transitions with notch effect (shaft to rotor end discs)
- Cleaning of shaft journal
- Descale, clean and rethread of balancing bores and rework by hand of calottes
- o Not included in OCCC – on actuals:
  - Mobile steeple machining of rotor grooves, if required
  - Replacement of rotating sealing stripes and blades
  - Supply of new L-0 blading (New L-0 with Feathering implemented would be required for this service, to be provided by PREPA or by a different contract to GE).
  - **Any destructive blading removal whether on site or in shop is not included**

#### **2.1.1.8 Valves**

##### Combined Stop Valve & Control valve – SV & CV – EVK160 (4 pcs.)

- Remove servomotors and oil pipes
- Dis- and reassembly of suction pipes
- Measurement of stroke during dis- and reassembly



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- Dis- and reassembly of bonnet
- Dis- and reassembly of valve lock with strainer incl. segment-, support- and seal ring; Note: new seal ring required, **not included in this proposal.**
- Removal of spindle with valve head
- Measurement of pre-stroke during dis- and reassembly
- o Not included in OCCC – on actuals:
  - Cutting (on a lathe) and welding of pre-stroke if tightness test failed (**This could not be quoted as contingency since it is planned to replace this stem**)
- Visual check of diffuser for proper contact (operational imprint), damage and cracks
- Non-Destructive Testing:
  - as defined by GE
- Dimensional checks
- Blue imprint of valve seat during assembly
- Reinstall servo-motors and oil pipes
- o Not included in OCCC – on actuals:
  - Blue imprint of bonnet to valve casing
  - Any rework of seat faces and diameters by welding and machining
  - Cutting and welding of suction pipes (if required)

Combined Stop Valve and Intercept Control Valve – AAV 315 (4 pcs.)

- Remove servomotors and oil pipes
- Measurement of stroke during dis- and reassembly
- Dis- and reassembly of bonnet incl. segment-, support- and seal ring; Note: new seal ring required
- Removal and install of valve lock with strainer and spindle with valve head and valve body installed)
- Visual check of diffuser for proper contact (operational imprint), damage and cracks (diffuser remain installed)
- Non-Destructive Testing:
  - as defined by GE
- Dimensional checks
- Implementation of IP Stop Valve Upgrade from AAV 315 to AVK 315 type (Magnetite Upgrade) on IP Stop Valves A/B/C/D (**Spare parts required for this implementation are not included in this service, those are to be provided by PREPA**)

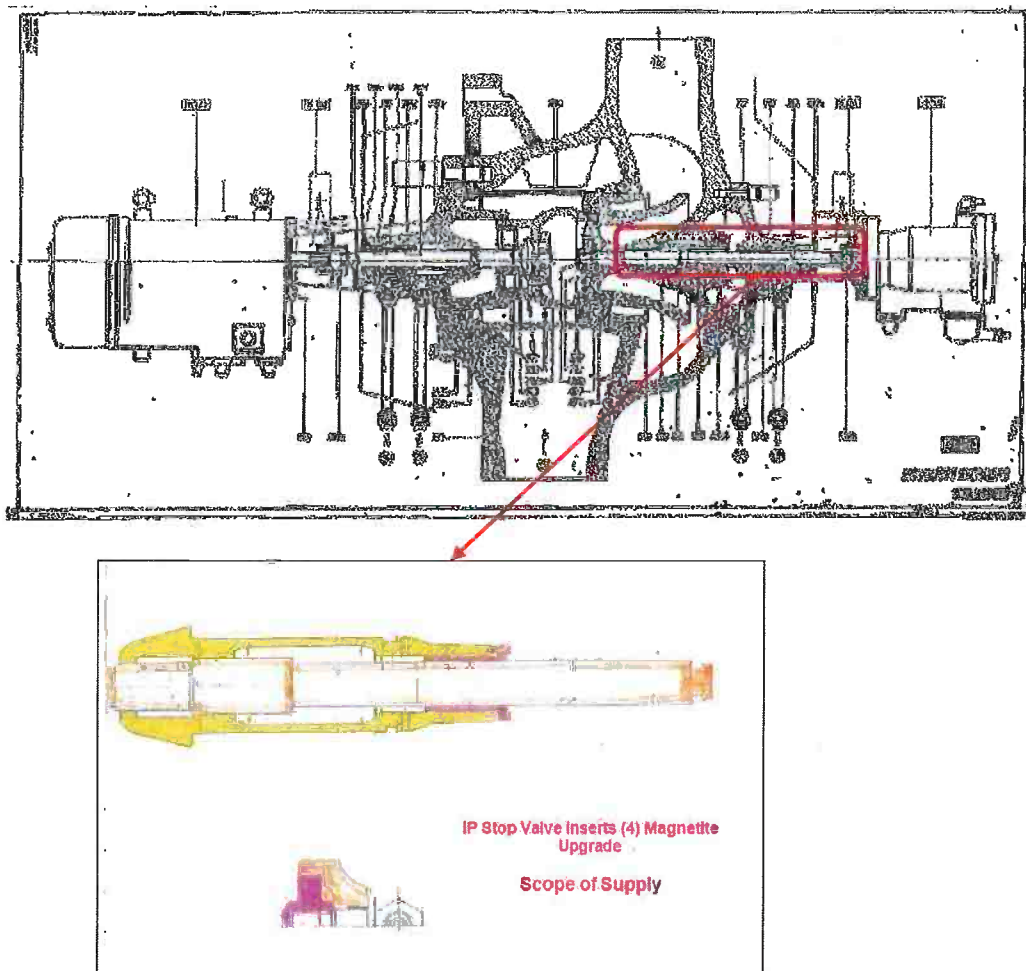



Figure 1: Intercept Valves Insert Scheme

- Blue imprint of valve seat during assembly
- Reinstall servomotors and oil pipe
- Not included in OCCC – on actuals:
  - Blue imprint of bonnet to valve casing
  - Any rework of seat faces and diameters by welding and machining
  - Bonnet Flange Upgrade to Hydraulic Bolting - TIL 2DESER00102U01
  - Spare parts required for this implementation are not included in this service, those are to be provided by PREPA

#### 2.1.1.9 Cold-Reheat and Extraction Non-Return Valve

##### Cold Reheat HP

- HP: 2x

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#### Steam extractions

- A2: 1x
- A3: 1x
- A4: 2x
- A5: 2x
- Dis- and reassembly of actuator (if applicable)
- Dis- and reassembly of intermediate piece / cover
- Dis- and reassembly of lever with flap
- Visual inspection and blue imprint of valve seat
- Non-Destructive Testing:
  - Critical areas defined by GE (seat and welding seam pipe)
- Not included in OCCC – on actuals:
  - Re-work of casing seat (by grinding on site with valve casing installed)
  - Cutting and welding of pipes for replacement of non-return casing seat (if required)
  - Spare parts are excluded from this scope and assumed to be provided by PREPA

#### **2.1.1.10 Steam- & Hydraulic System and Components**

##### Drain Pipes internal

- Check unobstructed flow during shut-down (infrared camera)
- Not included in OCCC – on actuals:
  - Cutting / welding of pipes and cleaning of dirt traps (if required)
  - Dis- and reassembly of actuators and check of valve internals
  - Spare parts are excluded from this scope and assumed to be provided by PREPA


##### Gland Steam System

- Functional check during shut-down
- Dis- and reassembly of actuators of gland steam valves
- Cleaning and inspection of gland steam valves
- Functional check and visual inspection of gland steam fans

##### Lube & Control Oil System

- Dis- and reassembly, cleaning and inspection of constant pressure valves of lube- and control oil
- Dis- and reassembly, cleaning and inspection of filters of lube- and control oil
- Dis- and reassembly, cleaning and inspection of temperature control valve
- Functional check and visual inspection of lube oil exhaust fans
- Not included in OCCC – on actuals:
  - Dis- and reassembly, cleaning and inspection of coolers
  - Drain, clean, and refill/flushing of oil tank

##### S90 Trip Unit Replacement

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- Delivery of 1 pc. complete overhauled tripping unit from GE workshop Mannheim, Germany (new sealings, internal valves, solenoid valves, hand valves) as a replacement before shut-down of the unit
- Disassembly of existing trip unit
- Transport of existing trip unit to GE workshop Mannheim, Germany (Replacement service is not included in this scope, this is to be provided by PREPA )
- Reassembly of replacement trip unit

#### Turning Gear

- Visual inspection of turning gear

#### Main Oil Pump

- Dis- and reassembly of main oil pump
- Cleaning of main oil pump parts and visual inspection

#### Elec. Pumps (Control Oil-, Aux. Lube Oil-, Emergency. Lube Oil-, Jacking Oil Pumps)

- Dis- and reassembly, cleaning and inspection of lube oil pumps
  - Dis- and reassembly, cleaning and inspection of hydraulic screw oil pumps
  - Functional check and visual inspection of jacking oil pumps
- o Not included in OCCC – on actuals:
    - Any disassembly, cleaning and checks of electrical motors
    - Overhaul of pumps at manufacturer's workshop, e.g. axial piston pumps
    - Spare parts are excluded from this scope and assumed to be provided by PREPA

#### Valve and Non-Return Valve Actuators (servo-motors)


- Dis- and reassembly of the actuators
  - Cleaning and inspection, assessment (take required measurements)
  - Replace necessary parts without any rework
- o Not included in OCCC – on actuals:
    - Replacement of spare parts require rework / repair work
    - Spare parts are excluded from this scope and assumed to be provided by PREPA

#### **2.1.1.11 Turbine Shut-down and Recommissioning**

The commissioning of the steam turbo-group is split in a shut-down and cold / hot recommissioning phase.

The cold phase commences when the systems and their components are released from reassembly and it ends when the turbine is ready for start-up.

The hot phase is initiated when first steam is admitted to the turbine and the turbo-group is started at the first time. The hot recommissioning of the steam turbine will follow directly after the cold recommissioning works.

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In accordance with the recommissioning I&T program the following tests, checks and adjustments will be performed:

#### **2.1.1.11.1 Shut-down**


- Reading and analysis of operation data, temperature (drains, valves, turbine) and vibration (actuators, pumps, motors, etc.) measurements
- Tests at 100% load operation before shut-down, vacuum drop test
- Tests at 50% load operation of turbine safety devices and valve stroke tests
- Turning gear operation
- Analysis of turbine behaviour according shut-down measurements and recommendations for coming inspection

#### **2.1.1.11.2 Cold Recommissioning Turbine**

- Recommissioning of Lube Oil System
- Recommissioning of Turbine Supervisory System (TSI) as expansions, speed, vibration probes
- Recommissioning of Jacking Oil and Shaft Turning Gear System
- Recommissioning of Control System and Safety System
- Recommissioning of steam stop and control valves (stroke, fail-safe and trip tests)
- Recommissioning of Hydraulic Oil System
- Recommissioning of Gland Steam System
- Recommissioning of LP-Turbine Hood Spray and Turbine Drain functional test
- Recommissioning of Turbine Extractions/Cold-Reheat, if Non-Return Valves are equipped with actuator
- Recommissioning of I&C incl. plausibility check of turbine measurements
- [Recommissioning of LP Bypass System](#)
- [Calibration of measurements](#)
- [Comprehensive protection tests](#)

#### **2.1.1.11.3 Hot Recommissioning Turbine**

- Verification of start-up conditions
- Tightness test of turbine stop and control valves
- Assistance of customer's operation team during start-up
- Check of operational behaviour and auxiliary systems during start-up
- Adjustment of lube oil pressure at nominal speed
- Online check of turbine safety systems, safety channels and valve stroke tests
- Check of reverse power protection
- Perform vacuum drop test
- Giving recommendations for alarm settings of bearing metal and vibration measurements according the operational behaviour of the turbine
- Operational readings at various loads (10%, 50%, 100%) and analysis of turbine behaviour
- o Not included:
  - Active operation of turbine controller via HMI


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## 2.2 Generator Services Scope:

### 2.2.1 Scope included in proposal:

By PREPA request, the following Generator basic testing is included in this scope.

- STATOR standard DC test series:
  - Winding Resistance
  - Insulation resistance test
  - DC Leakage test
  - DC High Voltage test
- ROTOR standard catalogue test:
  - Winding resistance
  - 500VDC insulation resistance with Polarization Index
  - Impedance Test
  - Pole Balance
- Note: It is of special attention to take care on generator bar cooling water circuit water chemistry analysis following high water conductivity values on the unit (performed in standard scope during operating data measurement and analysis). GE is assuming that system draining is necessary on this system and is including equipment and time to do the vacuum drying process. GE is also assuming that proper vacuum may be reached and that there are no leaks in the system preventing vacuum drying process. In the case of any present that may prevent GE from reaching the optimum vacuum levels the electrical testing may not be performed until any leak is repaired. Leak investigation equipment and leak fixing activities are not included in this proposal.
- Expected generator conditions or activities to be done by PREPA before testing:
  - Stator frame H2 draining by
  - Stator water cooling circuit draining by PREPA
  - Removal of brush-holders system
  - Opening of frame manholes and terminal box door
  - **Lock-Out-Tag-Out of the complete Generator-system previously to perform any activity is mandatory.** Assure that the complete generator-system has been disconnected, deenergized, properly grounded and electrically isolated from any power source or supply i.e. Machine Interrupter, field breaker, bus bar to the HVBs connections.
- Operational data requirements to be provided by PREPA
  - Gather all the DCS operational data values from the generator for analysis of the signal trends. The data history needs to be of at least 3 months previous the failure. It has Include also, the displayed of the startups, alarms and trips held in the period of 3 months. The Control room data requested is as follow:
    - Apparent Powe
    - Reactive Power
    - Power Factor


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- Stator Phase/Phase voltage
- Stator Phase/Phase current
- Field Voltage
- Field current
- Speed
- Turning gear hours
- Star up events
- Temperature of the stator winding (bars top and bottom)
- Temperature of the phase rings
- Temperature of the magnetic core and flux shield
- Hydrogen seals oil pressure (CE&TE)
- Delta pressure of the Hydrogen oil seals Oil/H2
- Generator Hydrogen pressure
- Pressure of the Hydrogen coolers (InletOutlet)
- Temperature of the Hydrogen coolers (Inletoutlet)
- Hydrogen temperatures in the stator (Hot and Cold)
- Oil temperatures (Inletoutlet-tank)
- Oil Pressure
- Generator and Turbine bearings temperature
- Exciter cubicle temperature
- Delta pressure on air filters
- Generator and Turbine Bearing vibrations X&Y
- Shaft Position

**2.2.2 Scope not included in proposal but recommended for this generator by GE as per the Generator RTS ER-20190108-0817 case discussed with PREPA:**

- STATOR standard DC test series
  - Thorough visual inspection
  - Wedge tightness check (*Based on robot capabilities and I&LES Confirmation*)
  - Low flux test (*Based on robot capabilities and I&LES Confirmation*) Winding resistance test
- ROTOR standard catalogue test
  - Visual inspection
  - Visual inspection of the end wedges, damper winding, and pole zones for electrical activity and overheating with the aid of a borescope if the access allows it.
- DIRIS 1 Operating characteristics
  - Analysis of operating data for generator, auxiliary-plants and excitation
- DIRIS 2 Visual inspection
  - Inspection of complete generator and auxiliary parts
  - Analysis of rotor winding insulation
  - Note: all rubber dampers on the stator winding cooling water manifolds should be inspected and replaced (if required). A visual inspection of all compensators and welds of the suspension brackets should be also performed
- DIRIS 2a Winding water flow test
  - Analysis of water flow in the stator windings
  - Measurement of stator water cooling characteristics
- DIRIS 3 Stator bore tests
  - Flux test on stator core, test of lamination insulation quality



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- Check of shaft insulation quality
  - Visual inspection of stator bore and rotor surface
- DIRIS 4 Winding insulation tests
  - Leakage current tests at low and high DC voltage
  - High potential test (upon customer agreement)
  - (Note: these tests will require the winding to be evacuated of water and dried.)
- DIRIS 5 Protection, controls, and synchronizing
  - Generator protection system tests
  - Excitation equipment tests
  - Synchronizing equipment tests
  - Auxiliary plant and control equipment check.

## 2.3 Interfaces

### 2.3.1.1 Limits of Services


- All kind of works, tests and inspections within GE Standard Inspection Program and as far as relevant plant components within GE's scope.

### 2.3.1.2 Exclusions of Services

- In general, all kinds of activities resulting from fact findings are excluded from the described scope, if not otherwise mentioned or specified in the scope description. Such activities have to be agreed separately, also regarding time and costs.
- Any works and parts beyond the described scope like the following:
  - Correction, adjustment and/or advisory assistance for the replacement of GE components against third party components
  - Removal of broken studs and bolts and restoration of threads, if any
  - Correction of distortion and/or rework of joint faces, if any
- Any works and inspections on components not having been delivered by GE
- Asbestos measurements and/or asbestos decontamination, if any
- Training (classroom and/or on-site)
- Modification of existing operation and maintenance manuals
- Spare parts are excluded from this scope and assumed to be provided by PREPA
- GE will leave the site clean swept after the inspection. Further cleaning is with the client, if required.



## Annex 2: Contingent scope of services

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## 1 Contingency works scope and assumptions

This contingency scope of supply is prepared as per PREPA's request. Since most of the activities can not be planned in a complete manner before opening and inspecting the steam turbine, the general scope and assumptions are described in this section and unitary pricing is given in Section 4.2 of indicative pricing proposal. Final invoicing in the case any of these additional/contingency scopes needs to be performed will be based on the unitary price and the real volume or days required to perform such work.


Spare parts are not included in contingent work, GE assumes PREPA will supply those materials, if required, to perform replacement of components as required.

### 1.1 Repairs Contingency works

#### 1.1.1 IP Turbine

##### 1.1.1.1 Blue imprint check and following correction of distortion and/or rework of joint faces if necessary, additional blue imprints might be required.

- Horizontal Joint Steam Leakage repair - welding and hand polishing solution
- Tool Center to prepare the tooling - in and out
- Team Mobilization (2 Welders)
- Remove bolts on affected area
- Cleaning complete horizontal joint - standby
- Blue contact to determine the area to be repaired - standby
- Visual inspection of the damaged area and Photograph the contact pattern and proposed repair area.
- Clean rough area to shiny base metal. Remove oxide, rough finish or swirled material.
- Perform magnetic particle inspection of the erosion area per P3C-AL-0003.
- If there is sufficient depth, peen the edges of the low area to prevent undercutting
- Preheat the weld area plus all area within 2" [50.8mm] adjacent to the weld area to 450°F [232°C] to 700°F [371°C]. After pre-heat is reached continue to heat for a minimum of 10 minutes to allow the heat to sufficiently penetrate below the weld surface.
- Weld with GTAW ER70S2-B2L, maintain an interpass temperature between 450°F [232°C] and 700° [371°C]. Once the desired amount of weld is deposited, cover the weld and adjacent area with insulation blanket and allow the weld to slowly cool under the insulation.
- Once the welded area is back to ambient temperature remove the insulation blanket.
- Work the weld down to remove the flow pattern from the weld.
- Perform a contact check to ensure that sufficient weld has been added to achieve a steam dam. If sufficient weld was not added then clean the area and repeat Step 10.0, do not apply more weld than permitted in Section 0 5.0. - Standby
- Once sufficient weld exists, continue to work the area using an English file (Figure 4), remove small amounts of material at time to avoid over grinding the steam dam. Once the weld is within 0.005" [0.13mm] of the desired elevation discontinue use of the English file.
- Hand work using flat stone and or emery cloth until an acceptable contact between the mating surfaces, a surface plate or Digital Blue print is achieved.

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- Clean the area
- Team Demob

**1.1.1.2 Upper and bottom inlet flange, remaining of flanges; additional blue imprints might be required**

- Assumed as same crew used to perform the Valves Works - one shift only - rate per day - 1 shift
- Flange Facer Machining - daily rate

**1.1.1.3 Visual inspection of steam ducts at extractions; re-machining**

- Assumed as same crew used to perform the Valves Works - one shift only - rate per day - 1 shift
- Flange Facer Machining - daily rate


**1.1.2 LP Turbine (LP 1 & LP2)**

**1.1.2.1 Rework of gland seal bores at the outer casing**

- Minor welding repair on LP outer casing
- NO stress relief is required
- Welder mobilized on the LP outer casing welding repair, (if PREPA doesn't buy the LP outer casing welding repair, new welder need to be mobilized)
- Per day casing repair

**1.1.2.2 LP bladed inner casing**

- i) Replacement of stationary sealing stripes and blades
- ii) Blue imprint check and following correction of distortion and/or rework of joint faces if necessary; additional blue imprints might be required, including the following:
  - Horizontal Joint Steam Leakage repair - welding and hand polishing solution
  - Tool Center to prepare the tooling - in and out
  - Team Mobilization (2 Welders)
  - Remove bolts on affected area
  - Cleaning complete horizontal joint - standby
  - Blue contact to determine the area to be repaired - standby
  - Visual inspection of the damaged area and Photograph the contact pattern and proposed repair area.
  - Clean rough area to shiny base metal. Remove oxide, rough finish or swirled material.
  - Perform magnetic particle inspection of the erosion area per P3C-AL-0003.
  - If there is sufficient depth, peen the edges of the low area to prevent undercutting
  - Preheat the weld area plus all area within 2" [50.8mm] adjacent to the weld area to 450°F [232°C] to 700°F [371°C]. After pre-heat is reached continue to heat for a minimum of 10 minutes to allow the heat to sufficiently penetrate below the weld surface.
  - Weld with GTAW ER70S2-B2L, maintain an interpass temperature between 450°F [232°C] and 700° [371°C]. Once the desired amount of weld is deposited,

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cover the weld and adjacent area with insulation blanket and allow the weld to slowly cool under the insulation.

- o Once the welded area is back to ambient temperature remove the insulation blanket.
- o Work the weld down to remove the flow pattern from the weld.
- o Perform a contact check to ensure that sufficient weld has been added to achieve a steam dam. If sufficient weld was not added then clean the area and repeat Step 10.0, do not apply more weld than permitted in Section 0 5.0. - Standby
- o Once sufficient weld exists, continue to work the area using an English file (Figure 4), remove small amounts of material at time to avoid over grinding the steam dam. Once the weld is within 0.005" [0.13mm] of the desired elevation discontinue use of the English file.
- o Hand work using flat stone and or emery cloth until an acceptable contact between the mating surfaces, a surface plate or Digital Blue print is achieved.
- o Clean the area
- o Team Demob

#### 1.1.2.3 LP rotor

- i) Mobile steeple machining of rotor grooves, if required **(Not included in scope, it can not be quoted ahead since it depends on fact finding during outage).**
- ii) Replacement of rotating sealing stripes and blades
- iii) **Any destructive blading removal whether on site or in shop is not included**

#### 1.1.3 Valves

##### 1.1.3.1 Combined Stop Valve & Control valve – SV & CV – EVK160 (4 pcs.)


- Blue imprint of bonnet to valve casing
- Seat faces and diameters by welding and machining
- Cutting and welding of suction pipes (if required)
- Includes:
  - o Team Mobilization
  - o Site Safety Instruction
  - o Tooling set up
  - o Machining work
  - o Team Demob

##### 1.1.3.2 Combined Stop Valve and Intercept Control Valve – AAV 315 (4 pcs.)

- Blue imprint of bonnet to valve casing
- Rework of seat faces and diameters by welding and machining
- Includes:
  - o Team Mobilization
  - o Site Safety Instruction
  - o Tooling set up
  - o Machining work
  - o Team Demob

##### 1.1.3.3 Cold-Reheat and Extraction Non-Return Valve

- Re-work of casing seat (by grinding on site with valve casing installed)

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- Cutting and welding of pipes for replacement of non-return casing seat (if required)
- Includes:
  - Team Mobilization
  - Site Safety Instruction
  - any welding needed - per day
  - any hand adjunting needed - per day
  - Team Demob

## 1.2 Major outage contingency services

### 1.2.1 Steam- & Hydraulic System and Components

#### 1.2.1.1 Drain Pipes internal

- Cutting / welding of pipes and cleaning of dirt traps (if required)
- Dis- and reassembly of actuators and check of valve internals
- Includes:
  - 1 TFA, 3 Mechanics
  - Consumables for welding
  - Welding equipment
  - NDT's

#### 1.2.1.2 Lube & Control Oil System

- i) Dis- and reassembly, cleaning and inspection of coolers
  - Includes:
    - 1 TFA, 3 Mechanics
    - Consumables for service, (permanent installation parts are not included).
- ii) Drain, clean, and refill/flushing of oil tank (GE is including in the service in Annex 1 the high-speed flushing process. The tank services described here are not included and is assumed by PREPA since local spare lube oil and temporary tanks are not in GE scope of supply).

#### 1.2.1.3 S90 Trip Unit Replacement

- Transport of existing trip unit to GE workshop Mannheim, Germany

#### 1.2.1.4 Elec. Pumps (Control Oil-, Aux. Lube Oil-, Emergency. Lube Oil-, Jacking Oil Pumps)

- Any disassembly, cleaning and checks of electrical motors
  - By day, it includes:
    - 1 TFA, 3 Mechanics
    - Consumables for service for cleaning, (permanent installation parts are not included).
- Overhaul of pumps at manufacturer's workshop, e.g. axial piston pumps (This is not in GE Scope, it depends on motor and manufacturer's)

#### 1.2.1.5 Valve and Non-Return Valve Actuators (servomotors)

- Replacement of spare parts require rework / repair work
  - By day, it includes:
    - 1 TFA, 3 Mechanics
    - Consumables for service for cleaning, (permanent installation parts are not included).

## Annex 3: Products and/or Services Terms and Conditions. Products and/or Services Terms and Conditions (Sept. 2019).

## Products and/or Services Terms and Conditions

**NOTICE: Sale of any Products and/or Services is expressly conditioned on Buyer's assent to these Terms and Conditions. Any acceptance of Seller's offer is expressly limited to acceptance of these Terms and Conditions and Seller expressly objects to any additional or different terms proposed by Buyer. No facility entry form shall modify these Terms and Conditions even if signed by Seller's representative. Any order to perform work and Seller's performance of work shall constitute Buyer's assent to these Terms and Conditions. Unless otherwise specified in the quotation, Seller's quotation expires 30 days from its date and may be modified or withdrawn by Seller before receipt of Buyer's conforming acceptance**

### 1. Definitions

**"Buyer"** means the entity to which Seller is providing Products and/or Services under the Contract.

**"Contract"** means either the contract agreement signed by both parties, or the purchase order signed by Buyer and accepted by Seller in writing, for the sale of Products and/or Services, together with these Terms and Conditions, Seller's final quotation, the agreed scope(s) of work, and Seller's order acknowledgement. In the event of any conflict, the Terms and Conditions shall take precedence over other documents included in the Contract.

**"Contract Price"** means the agreed price stated in the Contract for the sale of Products and/or Services, including adjustments (if any) in accordance with the Contract.

**"Derivative Works"** means: (a) any work based upon one or more pre-existing works, such as a revision, enhancement, modification, translation, abridgement, condensation, expansion, extension or any other form in which such pre-existing works may be published, recast, transformed, or adapted, and that if prepared without the authorization of the owner of the copyright or other intellectual property right to such pre-existing works, would constitute an infringement of such copyright or other intellectual property right, and/or (b) any compilation that incorporates such pre-existing works.

**"Hazardous Materials"** means any toxic or hazardous substance, hazardous material, dangerous or hazardous waste, dangerous good, radioactive material, petroleum or petroleum-derived products or by-products, or any other chemical, substance, material or emission, that is regulated, listed or controlled pursuant to any national, state, provincial, or local law, statute, ordinance, directive, regulation or other legal requirement of the United States ("U.S.") or the country of the Site.

**"Insolvent/Bankrupt"** means that a party is insolvent, makes an assignment for the benefit of its creditors, has an administrator, receiver, liquidator or trustee appointed for it or any of its assets, or files or has filed against it a proceeding under any bankruptcy, insolvency dissolution or liquidation laws.

**"Products"** means the equipment, parts, materials, supplies, software, and other goods Seller has agreed to supply to Buyer under the Contract.

**"Seller"** means the entity providing Products or performing Services under the Contract.

**"Services"** means the services Seller has agreed to perform for Buyer under the Contract.

**"Site"** means the premises where Products are used or Services are performed, not including Seller's premises from which it performs Services.

**"Terms and Conditions"** means these "Products and/or Services Terms and Conditions", including any relevant addenda pursuant to Article 18, together with any modifications or additional provisions specifically stated in Seller's final quotation or specifically agreed upon by Seller in writing.

**"USD"** means United States Dollars.

### 2. Payment

**2.1** Buyer shall pay Seller for the Products and/or Services by paying all invoiced amounts by direct bank transfer in the currency specified by Seller in the Contract, without deduction, withholding or set-off for any payment or claim, within thirty (30) days from the invoice date. If the Contract Price is less than two hundred fifty thousand USD (\$250,000), Seller shall issue invoices upon shipment of Products and as Services are performed. If the Contract Price is two hundred fifty thousand USD (\$250,000) or more, progress payments shall be invoiced starting with twenty-five percent (25%) of the Contract Price for Products and/or Services upon the earlier of Contract signature or issuance of Seller's order acknowledgement and continuing such that the Contract Price for remaining Services is invoiced as they are performed and ninety percent (90%) of the Contract Price for Products is received before the earliest scheduled Product shipment ("Progress Payments"). For each calendar month, or fraction thereof, that payment is late, Buyer shall pay a late payment charge computed at the rate of 1.5% per month on the overdue balance, or the maximum rate permitted by law if it is less. If the price is set by the Contract in a currency other than USD, references to USD in this Section 2.1 shall mean the equivalent amount in the applicable currency.

**2.2** As and if requested by Seller, Buyer shall at its expense establish and keep in force payment security in the form of an irrevocable, unconditional, sight

letter of credit or bank guarantee allowing for pro-rata payments as Products are shipped and Services are performed, plus payment of cancellation and termination charges, and all other amounts due from Buyer under the Contract ("Payment Security"). The Payment Security shall be (a) in a form, and issued or confirmed by a bank acceptable to Seller, (b) payable at the counters of such acceptable bank or negotiating bank, (c) opened at least sixty (60) days prior to both the earliest scheduled shipment of Products and commencement of Services, and (d) remain in effect until the latest of ninety (90) days after the last scheduled Product shipment, completion of all Services and Seller's receipt of the final payment required under the Contract. Buyer shall, at its expense, increase the amount(s), extend the validity period(s) and make other appropriate modifications to any Payment Security within ten (10) days of Seller's notification that such adjustment is necessary in connection with Buyer's obligations under the Contract.

**2.3** Seller is not required to commence or continue its performance unless and until any required Payment Security is received, operative and in effect and all applicable Progress Payments have been received. For each day of delay in receiving any Progress Payments or acceptable Payment Security, Seller shall be entitled to an equitable extension of time to durations or periods of time (if any) expressly agreed to by the Parties in the written schedule for performance and/or completion of the Services or any parts thereof. If at any time Seller reasonably determines that Buyer's financial condition or payment history does not justify continuation of Seller's performance, Seller shall be entitled to require full or partial payment in advance or otherwise restructure payments, request additional forms of Payment Security, suspend its performance or terminate the Contract.

### 3. Taxes and Duties

Seller shall be responsible for all corporate taxes measured by net income due to performance of or payment for work under this Contract ("Seller Taxes"). Buyer shall be responsible for all taxes, duties, fees, or other charges of any nature (including, but not limited to, consumption, gross receipts, import, property, sales, stamp, turnover, use, or value-added taxes, and all items of withholding, deficiency, penalty, addition to tax, interest, or assessment related thereto, imposed by any governmental authority on Buyer or Seller or its subcontractors) in relation to the Contract or the performance of or payment for work under the Contract other than Seller Taxes ("Buyer Taxes"). The Contract Price does not include the amount of any Buyer Taxes. If Buyer deducts or withholds Buyer Taxes, Buyer shall pay additional amounts so that Seller receives the full Contract Price without reduction for Buyer Taxes. Buyer shall provide to Seller, within one month of payment, official receipts from the applicable governmental authority for deducted or withheld taxes.

### 4. Deliveries; Title Transfer; Risk of Loss; Storage

**4.1** For shipments that do not involve export, including shipments from one European Union ("EU") country to another EU country, Seller shall deliver Products to Buyer FCA Seller's facility or warehouse (Incoterms 2010). For export shipments, Seller shall deliver Products to Buyer FCA Port of Export (Incoterms 2010). Buyer shall pay all delivery costs and charges or pay Seller's standard shipping charges plus up to twenty-five (25%) percent. Partial deliveries are permitted. Seller may deliver Products in advance of the delivery schedule. If Products delivered do not correspond in quantity, type or price to those itemized in the shipping invoice or documentation, Buyer shall so notify Seller within ten (10) days after receipt.

**4.2** For shipments that do not involve export, title to Products shall pass to Buyer upon delivery in accordance with Section 4.1. For export shipments from a Seller facility or warehouse outside the U.S., title shall pass to Buyer upon delivery in accordance with Section 4.1. For shipments from the U.S. to another country, title shall pass to Buyer immediately after each item departs from the territorial land, seas and overlying airspace of the U.S. The 1982 United Nations Convention of the law of the Sea shall apply to determine the U.S. territorial seas. For all other shipments, title to Products shall pass to Buyer the earlier of (i) the port of export immediately upon clearance of Products for export or (ii) immediately after each item departs from the territorial land, seas and overlying airspace of the sending country. When Buyer arranges the export or intercommunity shipment, Buyer will provide Seller evidence of exportation or intercommunity shipment acceptable to the relevant tax and custom authorities. Where Seller is responsible for importing, or directly or indirectly reimburses Buyer for import costs, Buyer agrees to

have import arranged through the agency of one of Seller's approved global customs brokers, whereby Seller will provide required support for instructions. If Buyer arranges for any import of Parts, Buyer may not use any third party vendor for providing customs clearance services until Seller has approved such party prior to shipment of the Parts. Notwithstanding the foregoing, Seller grants only a non-exclusive license, and does not pass title, for any software provided by Seller under this Contract, and title to any leased equipment remains with Seller.

**4.3** Risk of loss shall pass to Buyer upon delivery pursuant to Section 4.1, except that for export shipments from the U.S., risk of loss shall transfer to Buyer upon title passage.

**4.4** If any Products to be delivered under this Contract or if any Buyer equipment repaired at Seller's facilities cannot be shipped to or received by Buyer when ready due to any cause attributable to Buyer or its other contractors, Seller may ship the Products and equipment to a storage facility, including storage at the place of manufacture or repair, or to an agreed freight forwarder. If Seller places Products or equipment into storage, the following apply: (i) title and risk of loss immediately pass to Buyer, if they have not already passed, and delivery shall be deemed to have occurred; (ii) any amounts otherwise payable to Seller upon delivery or shipment shall be due; (iii) all expenses and charges incurred by Seller related to the storage shall be payable by Buyer upon submission of Seller's invoices; and (iv) when conditions permit and upon payment of all amounts due, Seller shall make Products and repaired equipment available to Buyer for delivery.

**4.5** If repair Services are to be performed on Buyer's equipment at Seller's facility, Buyer shall be responsible for, and shall retain risk of loss of, such equipment at all times, except that Seller shall be responsible for damage to the equipment while at Seller's facility to the extent such damage is caused by Seller's negligence.

**4.6** Except as otherwise expressly agreed to by the Parties in writing, acceptance of Products shall be deemed to occur upon delivery; acceptance of Services shall be deemed to occur upon performance of the Services. Acceptance shall not be delayed by delays in provision of documentation or other non-conformances which do not prevent operation of Buyer's equipment, nor by requirements which the Contract contemplates may be carried out after acceptance.

## 5. Warranty

**5.1** Seller warrants that Products shall be delivered free from defects in material, workmanship and title and that Services shall be performed in a competent, diligent manner in accordance with any mutually agreed specifications incorporated into the Contract.

**5.2** The warranty for Products shall expire one (1) year from first use or eighteen (18) months from delivery, whichever occurs first, except that software is warranted for ninety (90) days from delivery; and the warranty for Services shall expire one (1) year after performance of the Service, except that software-related Services are warranted for ninety (90) days (as applicable, the "Warranty Period").

**5.3** If Products and/or Services do not meet the above warranties, Buyer shall promptly notify Seller in writing prior to expiration of the applicable Warranty Period. Seller shall (i) at its option, repair or replace defective Products and (ii) re-perform defective Services. If despite Seller's reasonable efforts, a non-conforming Product cannot be repaired or replaced, or non-conforming Services cannot be re-performed, Seller shall refund or credit monies paid by Buyer for such non-conforming Products and/or Services. Warranty repair, replacement or re-performance by Seller shall not extend or renew the applicable Warranty Period. Seller's warranty obligations exclude the repair or replacement of any damaged parts or Products other than the initially failing part which caused the damage. Buyer shall obtain Seller's agreement on the specifications of any tests it plans to conduct to determine whether a non-conformance exists.

**5.4** Buyer shall bear the costs of access for Seller's remedial warranty efforts (including removal and replacement of systems, structures or other parts of Buyer's facility), de-installation, decontamination, re-installation and transportation of defective Products to Seller and back to Buyer.

**5.5** The warranties and remedies are conditioned upon (a) proper storage, installation, use, operation, and maintenance of Products, (b) Buyer keeping accurate and complete records of operation and maintenance during the warranty period and providing Seller access to those records, and (c) modification or repair of Products and/or Services only as authorized by Seller in writing. Failure to meet any such conditions renders the warranty null and void. Seller is not responsible for normal wear and tear.

**5.6** This Article 5 provides the exclusive remedies for all claims based upon the failure of or defect in Products or Services, whether the claim is based in contract, negligence, statute, or any tortious/extra-contractual liability theory, strict liability or otherwise. The foregoing warranties in this Article 5 are exclusive and are in lieu of all other warranties, conditions and guarantees whether written, oral, implied or statutory. NO IMPLIED OR STATUTORY WARRANTY, OR WARRANTY OR CONDITION OF MERCHANTABILITY, QUALITY OR FITNESS FOR A PARTICULAR PURPOSE APPLIES.

## 6. Confidentiality

**6.1** Seller and Buyer (as to information disclosed, the "Disclosing Party") may each provide the other party (as to information received, the "Receiving Party") with Confidential Information in connection with this Contract. "Confidential Information" means information that is designated in writing as "confidential" or "proprietary" by Disclosing Party at the time of written disclosure. In addition, prices for Products and/or Services shall be considered Seller's Confidential Information.

**6.2** Receiving Party agrees: (i) to use the Confidential Information only in connection with the Contract and use of Products and/or Services, (ii) to take reasonable measures to prevent disclosure of the Confidential Information to third parties, and (iii) not to disclose the Confidential Information to a competitor of Disclosing Party. Notwithstanding these restrictions, (a) Seller may disclose Confidential Information to its affiliates and subcontractors in connection with performance of the Contract, (b) a Receiving Party may disclose Confidential Information to its auditors, (c) Buyer may disclose Confidential Information to lenders as necessary for Buyer to secure or retain financing needed to perform its obligations under the Contract, and (d) a Receiving Party may disclose Confidential Information to any other third party with the prior written permission of Disclosing Party, and in each case, only so long as the Receiving Party obtains a non-disclosure commitment from any such subcontractors, auditors, lenders or other permitted third party that prohibits disclosure of the Confidential Information and provided further that the Receiving Party remains responsible for any unauthorized use or disclosure of the Confidential Information. Receiving Party shall upon request return to Disclosing Party or destroy all copies of Confidential Information except to the extent that a specific provision of the Contract entitles Receiving Party to retain an item of Confidential Information. Seller may also retain one archive copy of Buyer's Confidential Information.

**6.3** The obligations under this Article 6 shall not apply to any portion of the Confidential Information that: (i) is or becomes generally available to the public other than as a result of disclosure by Receiving Party, its representatives or its affiliates; (ii) is or becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party when the source is not, to the best of Receiving Party's knowledge, subject to a confidentiality obligation to Disclosing Party; (iii) is independently developed by Receiving Party, its representatives or affiliates, without reference to the Confidential Information; (iv) is required to be disclosed by law or valid legal process; provided that the Receiving Party intending to make disclosure in response to such requirements or process shall promptly notify the Disclosing Party in advance of such disclosure and reasonably cooperate in attempts to maintain the confidentiality of the Confidential Information.

**6.4** Each Disclosing Party warrants that it has the right to disclose the information that it discloses. Neither Buyer nor Seller shall make any public announcement about the Contract without prior written approval of the other party. As to any individual item of Confidential Information, the restrictions under this Article 6 shall expire five (5) years after the date of disclosure. Trade secrets that are contained in or comprise Confidential Information are to be protected for the life of the trade secret. Article 6 does not supersede any separate confidentiality or nondisclosure agreement signed by the parties.

## 7. Intellectual Property

**7.1** Seller shall defend and indemnify Buyer against any claim by a non-affiliated third party (a "Claim") alleging that Products and/or Services furnished under this Contract infringe a patent in effect in the U.S., an EU member state or the country of the Site (provided there is a corresponding patent issued by the U.S. or an EU member state), or any copyright or trademark registered in the country of the Site, provided that Buyer (a) promptly notifies Seller in writing of the Claim, (b) makes no admission of liability and does not take any position adverse to Seller, (c) gives Seller sole authority to control defense and settlement of the Claim, and (d) provides Seller with full disclosure and reasonable assistance as required to defend the Claim.

**7.2** Section 7.1 shall not apply and Seller shall have no obligation or liability with respect to any Claim based upon (a) Products and/or Services that have been modified, or revised, (b) the combination of any Products and/or Services with other products and/or services when such combination is a basis of the alleged infringement, (c) failure of Buyer to implement any update provided by Seller that would have prevented the Claim, (d) unauthorized use of Products and/or Services, or (e) Products and/or Services made or performed to Buyer's specifications.

**7.3** Should any Product and/or Service, or any portion thereof, become the subject of a Claim, Seller may at its option (a) procure for Buyer the right to continue using the Product and/or Service, or applicable portion thereof, (b) modify or replace it in whole or in part to make it non-infringing, or (c) failing (a) or (b), take back infringing Products and/or discontinue infringing Services and refund the price received by Seller attributable to the infringing Products and/or Services.

**7.4** Article 7 states Seller's exclusive liability for intellectual property infringement by Products and/or Services.



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**7.5** Each party shall retain ownership of all Confidential Information and intellectual property it had prior to the Contract. All rights in and to software not expressly granted to Buyer are reserved by Seller. All new intellectual property conceived or created by Seller in the performance of this Contract, whether alone or with any contribution from Buyer, shall be owned exclusively by Seller. Buyer agrees to deliver assignment documentation as necessary to achieve that result.

**7.6** Buyer will not itself, and will not allow any party (including Buyer Affiliates) to: (i) reverse engineer Products or Services (including any Seller monitoring or data analysis by Seller), (ii) prepare Derivative Works from, alter, modify, disassemble, reverse engineer, reverse assemble, de-compile, or otherwise attempt to reconstruct, discover or derive the object or source code of any software licensed to Buyer by Seller under this Contract (including any third party software); (iii) permit or otherwise grant any third-party access to Products, Services or software for such purpose, even if such third party is performing any corrections, bug fixes and updates.

**7.7** Products furnished by Seller under this Contract shall not be installed, used, or made available for use in any equipment other than the equipment specified in the Contract at Buyer's Site. Buyer warrants that such equipment, and the Site, is under its ownership and control, and agrees to inform Seller forthwith should this cease to be the case at any time before expiry of the Warranty Period.

## **8. Indemnity**

Each of Buyer and Seller (as an "Indemnifying Party") shall indemnify the other party (as an "Indemnified Party") from and against claims brought by a third party, on account of personal injury or damage to the third party's tangible property, to the extent caused by the negligence of the Indemnifying Party in connection with this Contract. In the event the injury or damage is caused by joint or concurrent negligence of Buyer and Seller, the loss or expense shall be borne by each party in proportion to its degree of negligence. For purposes of Seller's indemnity obligation, no part of the Products or Site is considered third party property.

## **9. Insurance**

During the term of the Contract, Seller shall maintain for its protection the following insurance coverage: (i) Worker's Compensation, Employer's Liability and other statutory insurance required by law with respect to work related injuries or disease of employees of Seller in such form(s) and amount(s) as required by applicable laws; (ii) Automobile Liability insurance with a combined single limit of \$2,500,000.00; and (iii) Commercial General Liability or Public Liability insurance for bodily injury and property damage with a combined single limit of \$2,500,000.00. If required in the Contract, Seller shall provide a certificate of insurance reflecting such coverage.

## **10. Schedule and Excusable Events**

**10.1** Any durations or periods of time quoted on the schedule or otherwise agreed for performance, delivery and/or completion of the Services or delivery of Products shall be regarded as estimated only. In addition, delivery times are dependent upon prompt receipt by Seller of all information necessary to proceed with the work without interruption. In the event Seller agrees in writing to guaranteed performance, delivery and/or completion times and specific sums as liquidated damages for late performance, delivery or completion, any such liability for damages shall only commence when the period of delay exceeds the guaranteed date or time by 14 (fourteen) calendar days and liquidated damages may be applied and be levied only from that 14th day onwards. Payment of liquidated damages shall be in full and final settlement of any and all liability of the Seller for delays under the Contract and shall be Buyer's sole and exclusive remedy for failing to achieve the performance, delivery and/or completion guarantee. The Seller's maximum aggregate liability for liquidated damages for delay shall in no circumstances exceed 5% (five per cent) of the total amount of the Contract Price paid to the Seller.

**10.2** Seller shall not be liable and shall not be considered in breach of any obligations to supply manpower, deliver Products or to perform, deliver or complete the Services or any parts thereof within specified durations or periods or by a specified time if it is delayed or prevented, directly or indirectly, by any cause beyond its reasonable control, or by armed conflict, acts or threats of terrorism, epidemics, strikes or other labor disturbances, or acts or omissions of any governmental authority or of the Buyer or Buyer's contractors or suppliers or for any period of suspension under Section 11.3. If any such cause or excusable event occurs, the schedule for Seller's performance shall be adjusted accordingly and dates or times stated in the schedule for performance and/or completion of the Services shall be extended by the amount of time lost by reason of the event plus such additional time as may be needed to overcome the effect of the event. If acts or omissions of the Buyer or its contractors or suppliers cause the delay, Seller shall also be entitled to an equitable price adjustment.

## **11. Termination and Suspension**

**11.1** Buyer may terminate the Contract (or the portion affected) for cause if

Seller (i) becomes Insolvent/Bankrupt, or (ii) commits a material breach of the Contract which does not otherwise have a specified contractual remedy, provided that: (a) Buyer shall first provide Seller with detailed written notice of the breach and of Buyer's intention to terminate the Contract, and (b) Seller shall have failed, within 30 days after receipt of the notice, to commence and diligently pursue cure of the breach.

**11.2** If Buyer terminates the Contract pursuant to Section 11.1, (i) Seller shall reimburse Buyer the difference between that portion of the Contract Price allocable to the terminated scope and the actual amounts reasonably incurred by Buyer to complete that scope, and (ii) Buyer shall pay to Seller (a) the portion of the Contract Price allocable to Products and/or Services completed, (b) lease fees incurred, and (c) amounts for Services performed before the effective date of termination. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Seller's then-current standard time and material rates.

**11.3** Seller may suspend or terminate the Contract (or any affected portion thereof) immediately for cause if Buyer (i) becomes Insolvent/Bankrupt, or (ii) materially breaches the Contract, including, but not limited to, failure or delay in Buyer providing Payment Security, making any payment when due, or fulfilling any payment conditions.

**11.4** If the Contract (or any portion thereof) is terminated for any reason other than Seller's default under Section 11.1, Buyer shall pay Seller for all Products completed, lease fees incurred and Services performed before the effective date of termination, plus expenses reasonably incurred by Seller in connection with the termination. The amount due for Services shall be determined in accordance with the milestone schedule (for completed milestones) and rates set forth in the Contract (for work toward milestones not yet achieved and where there is no milestone schedule), as applicable or, where there are no milestones and/or rates in the Contract, at Seller's then-current standard time and material rates. All work in progress shall be paid for at Seller's standard time and material rates. In addition, Buyer shall pay Seller a cancellation charge equal to 80% of the Contract Price applicable to uncompleted made-to-order Products and/or Services and 15% of the Contract Price applicable to all other uncompleted Products and/or Services.

**11.5** Either Buyer or Seller may terminate the Contract (or the portion affected) upon twenty (20) days advance notice if there is an excusable event (as described in Article 10) lasting longer than one hundred and twenty (120) days. In such case, Buyer shall pay to Seller amounts payable under Section 11.4, excluding the cancellation charge for uncompleted Products and/or Services.

**11.6** Buyer shall pay all reasonable expenses incurred by Seller in connection with a suspension, including, but not limited to, expenses for repossession, fee collection, demobilization/remobilization, and costs of storage during suspension. The schedule for Seller's obligations shall be extended for a period of time reasonably necessary to overcome the effects of any suspension.

## **12. Compliance with Laws, Codes and Standards**

**12.1** Seller shall comply with laws applicable to the manufacture of Products and its performance of Services. Buyer shall comply with laws applicable to the application, operation, use and disposal of the Products and Services.

**12.2** Seller's obligations are conditioned upon Buyer's compliance with all U.S., EU and other applicable trade control laws and regulations. Buyer shall not trans-ship, re-export, divert or direct or otherwise make or allow any disposition of Products other than in and to the ultimate country of destination declared by Buyer and specified as the country of ultimate destination on Seller's invoice. Buyer hereby certifies that the equipment, materials, services, technical data, software or other information or assistance furnished by Seller under this Contract will not be used in the design, development, production, stockpiling or use of chemical, biological, or nuclear weapons either by Buyer or by any entity acting on Buyer's behalf.

**12.3** Notwithstanding any other provision, Buyer shall timely obtain, effectuate and maintain in force any required permit, license, exemption, filing, registration and other authorization, including, but not limited to, building and environmental permits, import licenses, environmental impact assessments, and foreign exchange authorizations, required for the lawful performance of Services at the Site or fulfillment of Buyer's obligations, except that Seller shall obtain any license or registration necessary for Seller to generally conduct business and visas or work permits, if any, necessary for Seller's personnel. Buyer shall provide reasonable assistance to Seller in obtaining such visas and work permits.

## **13. Environmental, Health and Safety Matters**

**13.1** Buyer shall maintain safe working conditions at the Site, including, without limitation, implementing appropriate procedures regarding Hazardous Materials, confined space entry, and energization and de-energization of power systems (electrical, mechanical and hydraulic) using safe and effective lock-out/tag-out ("LOTO") procedures including physical LOTO or a mutually agreed upon alternative method.

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**13.2** Buyer shall timely advise Seller in writing of all applicable Site-specific health, safety, security and environmental requirements and procedures. Without limiting Buyer's responsibilities under Article 13, Seller has the right but not the obligation to, from time to time, review and inspect applicable health, safety, security and environmental documentation, procedures and conditions at the Site.

**13.3** If, in Seller's reasonable opinion, the health, safety, or security of personnel or the Site is, or is apt to be, imperiled by security risks, terrorist acts or threats, the presence of or threat of exposure to Hazardous Materials, or unsafe working conditions, Seller may, in addition to other rights or remedies available to it, evacuate some or all of its personnel from Site, suspend performance of all or any part of the Contract, and/or remotely perform or supervise work. Any such occurrence shall be considered an excusable event. Buyer shall reasonably assist in any such evacuation.

**13.4** Operation of Buyer's equipment is the responsibility of Buyer. Buyer shall not require or permit Seller's personnel to operate Buyer's equipment at Site.

**13.5** Buyer will make its Site medical facilities and resources available to Seller personnel who need medical attention.

**13.6** Seller has no responsibility or liability for the pre-existing condition of Buyer's equipment or the Site. Prior to Seller starting any work at Site, Buyer will provide documentation that identifies the presence and condition of any Hazardous Materials existing in or about Buyer's equipment or the Site that Seller may encounter while performing under this Contract. Buyer shall disclose to Seller industrial hygiene and environmental monitoring data regarding conditions that may affect Seller's work or personnel at the Site. Buyer shall keep Seller informed of changes in any such conditions.

**13.7** Seller shall notify Buyer if Seller becomes aware of: (i) conditions at the Site differing materially from those disclosed by Buyer, or (ii) previously unknown physical conditions at Site differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract. If any such conditions cause an increase in Seller's cost of, or the time required for, performance of any part of the work under the Contract, an equitable adjustment in price and schedule shall be made.

**13.8** If Seller encounters Hazardous Materials in Buyer's equipment or at the Site that require special handling or disposal, Seller is not obligated to continue work affected by the hazardous conditions. In such an event, Buyer shall eliminate the hazardous conditions in accordance with applicable laws and regulations so that Seller's work under the Contract may safely proceed, and Seller shall be entitled to an equitable adjustment of the price and schedule to compensate for any increase in Seller's cost of, or time required for, performance of any part of the work. Buyer shall properly store, transport and dispose of all Hazardous Materials introduced, produced or generated in the course of Seller's work at the Site.

**13.9** Buyer shall indemnify Seller for any and all claims, damages, losses, and expenses arising out of or relating to any Hazardous Materials which are or were (i) present in or about Buyer's equipment or the Site prior to the commencement of Seller's work, (ii) improperly handled or disposed of by Buyer or Buyer's employees, agents, contractors or subcontractors, or (iii) brought, generated, produced or released on Site by parties other than Seller.

## 14. Changes

**14.1** Each party may at any time propose changes in the schedule or scope of Products and/or Services. Seller is not obligated to proceed with any change until both parties agree upon such change in writing. The written change documentation will describe the changes in scope and schedule, and the resulting changes in price and other provisions, as agreed.

**14.2** The scope, Contract Price, schedule, and other provisions will be equitably adjusted to reflect additional costs or obligations incurred by Seller resulting from a change, after Seller's proposal date, in Buyer's Site-specific requirements or procedures, or in industry specifications, codes, standards, applicable laws or regulations. Unless otherwise agreed by the parties, pricing for additional work arising from such changes shall be at Seller's time and material rates.

**14.3** It shall be acceptable and not considered a change if Seller delivers a Product that bears a different, superseding or new part or version number compared to the part or version number listed in the Contract.

## 15. Limitations of Liability

**15.1** To the maximum extent permitted by applicable law, the total liability of Seller for all claims arising from or related to the formation, performance or breach of this Contract, or provision of any Products and/or Services, shall not exceed the (i) Contract Price, or (ii) if Buyer places multiple order(s) under the Contract, the price of each particular order for all claims arising from or related to that order and ten thousand USD (US \$10,000) for all claims not part of any particular order.

**15.2** Seller shall not be liable for loss of profit or revenues, loss of use of equipment or systems, interruption of business, cost of replacement power, cost of capital, downtime costs, increased operating costs, any special, consequential, incidental, indirect, or punitive damages, or claims of Buyer's customers for any of the foregoing types of damages, or for any cost, loss or

liability Buyer may suffer under any agreement by which it sells or transmits electricity to its customer(s) or third parties.

**15.3** All Seller liability shall end upon expiration of the applicable warranty period, provided that Buyer may continue to enforce a claim for which it has given notice prior to that date by commencing an action or arbitration, as applicable under this Contract, before expiration of any statute of limitations or other legal time limitation but in no event later than one year after expiration of such warranty period.

**15.4** Seller shall not be liable for advice or assistance that is not required for the work scope under this Contract.

**15.5** Buyer will not supply Products and/or Services to any third party, or use Products and/or Services other than at the Site owned by Buyer. In case of non-compliance, Buyer shall (i) indemnify and defend Seller from and against any and all claims by, and liability to, any third party to whom Products and/or Services are supplied, and (ii) require that the third party agree, for the benefit of and enforceable by Seller, to be bound by the provisions of Article 7 and all the limitations included in this Article 15.

**15.6** For purposes of this Article 15, the term "Seller" means Seller, its affiliates, subcontractors and suppliers of any tier, and their respective employees. The limitations in this Article 15 shall apply regardless of whether a claim is based in contract, negligence, statute, indemnity, tortious/extra-contractual liability theory, strict liability or otherwise.

## 16. Governing Law and Dispute Resolution

**16.1** This Contract shall be governed by and construed in accordance with the laws of (i) the State of New York if Buyer's place of business is in the U.S. or (ii) England and Wales, if the Buyer's place of business is outside the U.S., in either case without giving effect to any choice of law rules that would cause the application of laws of any other jurisdiction (the "Governing Law").

**16.2** All disputes and, to the maximum extent permitted by applicable law, all non-contractual obligations arising in any way whatsoever out of or in connection with this Contract arising in connection with this Contract, including any question regarding its existence or validity, shall be resolved in accordance with this Article 16. If a dispute is not resolved by negotiations, either party may, by giving written notice, refer the dispute to a meeting of appropriate higher management, to be held within twenty (20) business days after the giving of notice. If the dispute is not resolved within thirty (30) business days after the giving of notice, or such later date as may be mutually agreed, either party may commence arbitration or court proceedings, depending upon the location of the Buyer, in accordance with one of the following:

(a) if the Buyer's pertinent place of business is in the U.S., legal action shall be commenced in federal court with jurisdiction applicable to, or state court located in, either New York, New York (and Buyer hereby consents to be subject to such New York federal and state jurisdiction) or the location of Buyer's principal place of business; or

(b) if the Buyer's pertinent place of business is outside the U.S., the dispute shall be submitted to and finally resolved under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules (the "Rules"). The seat of arbitration shall be in London, England. The arbitration shall be conducted in English. The decision of the arbitrators shall be final and binding upon the parties.

**16.3** Notwithstanding the foregoing, each party shall have the right at any time, at its option and where legally available, to commence an action or proceeding in a court of competent jurisdiction, subject to the terms of this Contract, to seek a restraining order, injunction, or similar order (but not monetary damages), or to seek interim or conservatory measures.

## 17. Inspection and Factory Tests

Seller will apply its normal quality control procedures in manufacturing Products. Seller shall attempt to accommodate requests by Buyer to witness Seller's factory tests of Products, subject to appropriate access restrictions, if such witnessing can be arranged without delaying the work.

## 18. Software, Leased Equipment, Remote Diagnostic Services, PCB Services

If Seller provides any software to Buyer, the Software License Addendum shall apply. If Seller leases any of Seller's equipment or provides related Services to Buyer, including placing Seller's equipment at Buyer's site to provide remote Services, the Lease Addendum shall apply. If Seller provides remote diagnostic services to Buyer, the Remote Diagnostic Services Addendum shall apply. If Seller provides PCB Services to Buyer, the PCB Services Addendum shall apply. If there is any conflict between these Products and/or Services Terms and Conditions and the terms of any addendum incorporated pursuant to this Article 18, the terms of the addendum shall take precedence with respect to the applicable scope.

## 19. General Clauses

**19.1** Products and Services sold by Seller are not intended, in whole or in part, for application (and will not be used) in connection with or nearby any nuclear facility or activity, and Buyer warrants that it shall not use or permit others to

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use Products and/or Services for any such purposes, without the advance written consent of Seller.

**19.2** Seller may assign or novate its rights and obligations under the Contract, in whole or in part, to any of its affiliates or may assign any of its accounts receivable under this Contract to any party without Buyer's consent. Buyer agrees to execute any documents that may be necessary to complete Seller's assignment or novation. Seller may subcontract portions of the work, so long as Seller remains responsible for it. The delegation or assignment by Buyer of any or all of its rights or obligations under the Contract without Seller's prior written consent (which consent shall not be unreasonably withheld) shall be void.

**19.3** Buyer shall notify Seller immediately upon any change in ownership of more than fifty percent (50%) of Buyer's voting rights or of any controlling interest in Buyer. If Buyer fails to do so or Seller objects to the change, Seller may (a) terminate the Contract, (b) require Buyer to provide adequate assurance of performance (including but not limited to payment), and/or (c) put in place special controls regarding Seller's Confidential Information.

**19.4** If any Contract provision is found to be void or unenforceable, the remainder of the Contract shall not be affected. The parties will endeavor to replace any such void or unenforceable provision with a new provision that achieves substantially the same practical and economic effect and is valid and enforceable.

**19.5** The following Articles shall survive termination or cancellation of the Contract: 2, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 15, 16, 18, 19 and 20.

**19.6** The Contract represents the entire agreement between the parties. No oral or written representation or warranty not contained in this Contract shall be binding on either party. Buyer's and Seller's rights, remedies and obligations arising from or related to Products and/or Services sold under this Contract are limited to the rights, remedies and obligations stated in this Contract. No modification, amendment, rescission or waiver shall be binding on either party unless agreed in writing.

**19.7** Except as provided in Article 15 (Limitations of Liability), this Contract is only for the benefit of the parties and not for any third parties.

**19.8** This Contract may be signed in multiple counterparts that together shall constitute one agreement.

## 20. U.S. Government Contracts

**20.1** This Article 20 applies only if the Contract is for the direct or indirect sale to any agency of the U.S. government and/or is funded in whole or in part by any agency of the U.S. government.

**20.2** Buyer agrees that all Products and/or Services provided by Seller meet the definition of "commercial-off-the-shelf" ("COTS") or "commercial item" as those terms are defined in Federal Acquisition Regulation ("FAR") 2.101. To the extent the Buy American Act, Trade Agreements Act, or other domestic preference requirements are applicable to this Contract, the country of origin of Products is unknown unless otherwise specifically stated by Seller in this Contract. Buyer agrees any Services offered by Seller are exempt from the Service Contract Act of 1965 (FAR 52.222-41). Buyer represents and agrees that this Contract is not funded in whole or in part by American Recovery Reinvestment Act funds unless otherwise specifically stated in the Contract. The version of any applicable FAR clause listed in this Article 20 shall be the one in effect on the effective date of this Contract.

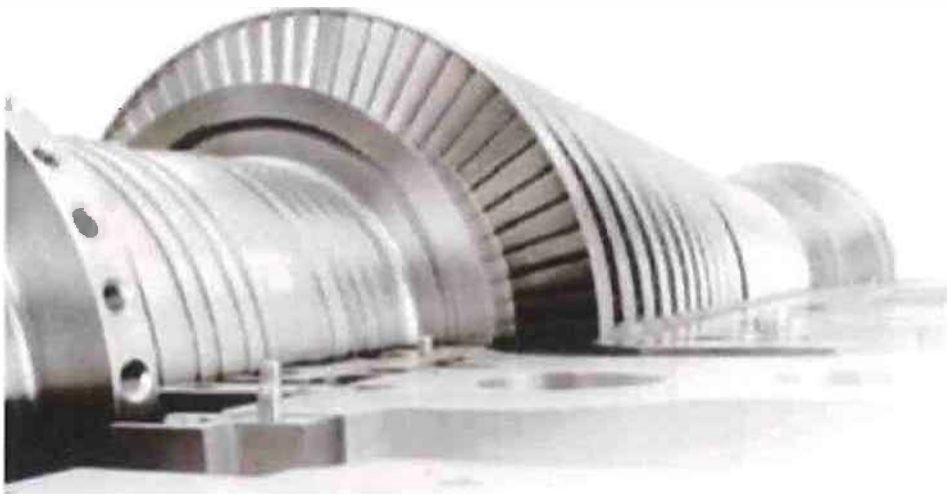
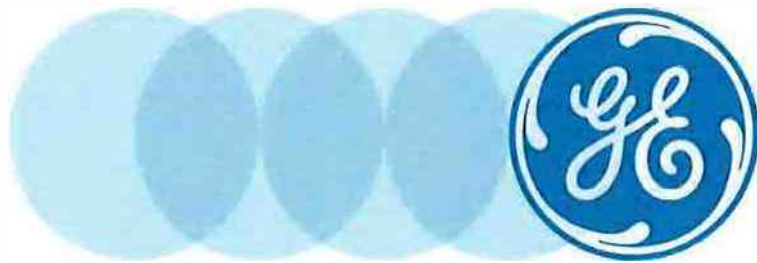
**20.3** If Buyer is an agency of the U.S. Government, then as permitted by FAR 12.302, Buyer agrees that all paragraphs of FAR 52.212-4 (except those listed in 12.302(b)) are replaced with these Terms and Conditions. Buyer further agrees the subparagraphs of FAR 52.212-5 apply only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price.

**20.4** If Buyer is procuring the Products and/or Services as a contractor, or subcontractor at any tier, on behalf of any agency of the U.S. Government, then Buyer agrees that FAR 52.212-5(e) or 52.244-6 (whichever is applicable) applies only to the extent applicable for sale of COTS and/or commercial items and as appropriate for the Contract Price.

# Steam Turbine Spare Recommended Spare Parts Supply for Major Overhaul

Puerto Rico Electric Power Authority/ Purchasing Division  
Site: AGUIRRE

Unit Serial: SY0016382



Prepared By: Miguel Angel Rico

Proposal No.: 1276986 -Rev. 6

Customer Reference: PREPA formal request No. 00003289 by mail on December 10th, 2021 and further negotiation on December 23rd, 2021.

Proposal Date: December 23, 2021

## GE Steam Power Caribe, Inc.

**To:** Puerto Rico Electric Power  
Authority  
  
PO Box 364267, San Juan, Puerto  
Rico

**Proposal** 1276986 -Rev. 6

**Serial Number**

**Attn:** Alexis Cruz

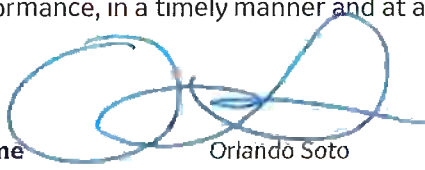
**Date** December 23, 2021

**Telephone:**

**Offering Type** Firm

**Email:**

-----  
GE Steam Power Caribe, Inc. (GE) is pleased to submit this Proposal to Puerto Rico Electric Power Authority/ Purchasing Division (PREPA ). This Proposal is for Steam Turbine Spare Recommended Spare Parts Supply for Major Overhaul for AGUIRRE, Steam Turbine SY0016382. GE is confident that this scope, as prepared and commented on by our technical staff, is complete and contains all the elements necessary to assure quality performance, in a timely manner and at a reasonable cost to PREPA .

  
**Name** Orlando Soto  
**Title** Senior Sales Manager  
**Address** 383 F.D. Roosevelt Avenue, Edificio Fundación Angel Ramos, Hato Rey, San Juan PR 00918,  
USA  
**Telephone** (787) 999-6410; (787) 999-6400  
**Email**

## Proprietary Statement

This Proposal 1276986 -Rev. 6 and the correspondence and communications related to it, collectively the "Proposal," developed by GE and provided to Puerto Rico Electric Power Authority/ Purchasing Division (PREPA ) are the property of GE.

This entire document is proprietary to GE and is furnished in confidence solely for use in considering the merits of the Proposal and for no other direct or indirect use. By accepting this document from GE, the recipient agrees:

- To use this document, and the information it contains, exclusively for the above stated purpose and to avoid use of the information for performance of the proposed work by the recipient or disclosure of the information to, and use by, competitors of GE on behalf of the recipient.
- To avoid publication or other unrestricted disclosure of this document or the information it contains.
- To make no copies of any part thereof without the prior written permission of GE.
- To return this document when it is no longer needed for the purpose for which furnished, or upon request of GE.

GE Steam Power Caribe, Inc.

## Power Services- A Message to Puerto Rico Electric Power Authority/ Purchasing Division

### Our Vision

At Power Services, a business unit of General Electric Company, we are committed to meeting the present and future service needs of energy companies. Our customers deserve a digital-industrial partner that helps maximize performance, minimize risk, and consistently deliver high-quality service solutions.

### Who We Are

Power Services is a market-focused, customer-driven organization providing services, upgrades, repairs, parts, multi-year agreements, operations and maintenance - as well as advanced digital solutions - for assets supplied by GE and other original equipment manufacturers (OEM's). With the largest power plant services portfolio in the industry, our cross-fleet approach allows us to support more than 90 OEM brands of gas and steam turbines, generators, boilers and other balance-of-plant equipment. Customer service excellence is at the heart of our business. Power Services recognizes that our energy industry customers generate and use power in highly engineered processes, thus reliability and productivity are paramount.

Our FieldCore Division differentiates us from our competitors. An organization backed by over 125 years of experience and reflects one main purpose - to deliver the highest standard of field services excellence and to advance our customers' critical industrial assets. Our experienced field engineers are highly motivated and dedicated professionals. They provide our customers with proactive technical innovation, problem solving, and sound project management, and are backed by a highly skilled team of technical support engineers. Built from the field up with talent, expertise and best practices, all our Field Engineers receive extensive training and are equipped with digital tools and mobile devices that enable around-the-clock access to our product service department and personnel. PREPA can depend on our Field Engineering expertise, 24 hours a day, 365 days a year.

GE's commitment to technical innovation has never been more exciting or demanding. Technical excellence is at the forefront of our mission to provide successful solutions for our customers. With next-generation tools, finely tuned processes, and total plant solutions, our goal is to deliver services faster, more reliably and with greater safety, so our customers can consistently deliver the outcomes their operations and stakeholder's demand.

Our value to PREPA as a digital-industrial service organization is measured by our field services operating excellence, the innovation of our technical solutions and the customer outcomes we deliver.

## Revision Summary

Revision	Description	Date
1276986-Revision 5	Firm proposal for direct assignment RFQ 00003289, including price and payment milestones	December 13, 2021
1276986-Revision 6	Firm proposal for direct assignment RFQ 00003289, including 7% discount in price.	December 23, 2021



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## Section 1: Scope of Supply

Scope of supply is detailed in Annex 1 in three sections:

Annex 1, A: Major outage shortened list

Annex 1, B: Steam Valves Soft parts

Annex 1, C: Additional Steam Turbine Spare Parts

## Section 2: Project Schedule

### 2.1 Work Scope Schedule

For the purposes of this Proposal, GE is estimating the following cycles:

- Parts delivery Total cycle: 36 weeks for all items with exception of Item 15 from Annex 1, C, which is 52 weeks delivery cycle

## Section 3: Commercial Summary

GE is pleased to provide the scope as indicated in Section 1, per the Schedule outlined in Section 2, for the Indicative pricing of:

*Table 1: Commercial summary*

No.	Scope	Price (USD)	Discount (7%), USD	Final amount, (USD)
1	Recommended spares parts for Aguirre Unit 1 Steam Turbine Main cylinders, bearings and Steam Valves (Annex 1, Section A), revised version, short listed	3,355,202.00	-234,864.14	3,120,337.86
2	Steam Valve Actuators Soft parts only. (Annex 1, Section B)	95,128.00	-6,658.96	88,469.04
3	Set of additional Steam Turbine Spare Parts (Annex 1, Section C).	586,168.00	-41,031.76	545,136.24
	Overall	4,036,495.47		\$3,753,943.14 USD

With a total estimate of \$3,753,943.14 USD ( Three million seven hundred fifty-three thousand nine hundred forty-three dollars 14/100 USD).

### 3.1 Pricing Limitations

1. The Prices are in USD, are net and does not include applicable sales, VAT, WHT or tax value.
2. Consequently, in addition to the price specified herein, the amount of any present or future sales, use, excise or similar tax applicable to the work hereunder shall be paid by Buyer or in lieu thereof, Buyer shall provide Seller with the tax exemption evidence acceptable to the taxing authorities.
3. The Services provided in this Proposal are based on standard General Electric practices.

## Section 4: Commercial Terms

### 4.1 Delivery Terms

DDP, Incoterms 2020, San Juan, PR..

### 4.2 Payment -Terms

Payment shall be in U.S. Dollars due **Net 60 upon** receipt of GE's invoice without any setoff (including, without limitation, setoff under other contracts with Seller or with General Electric Company or its affiliates). These terms will take precedence over any conflicting payment terms referenced.

Payment Milestone	Percent of Contract
PO Formalization	15%
Parts ready to shipment completion	35%
Parts delivery to site	50%

**Note:** The above payment terms are subject to change in accordance with buyer's total credit obligations at the time the purchase order is issued.

### 4.3 Terms and Conditions

This proposal to and exclusively governed by GE Products and/or Services Terms and Conditions Attached. In case of conflicts between the terms contained in this proposal and the before mentioned terms and conditions, the terms stated in this proposal shall take precedence. For purposes of this proposal, all references to "GE" in the Terms and Conditions shall mean GE Steam Power Caribe, Inc. .

GE is in the disposition to agree with Puerto Rico Electric Power Authority terms and conditions based on previous negotiations and terms and conditions that have been agreed between the parties.

*The impacts of Coronavirus cannot be reasonably determined at this time. This GE Proposal did not account for any potential adverse impacts of Coronavirus to GE's performance of obligations. In the event of any delays and adverse impacts, GE reserves the right for an equitable adjustment to modify the schedule and prices herein to offset the effects of Coronavirus delays.*

### Attachments :

Annex 1 : Spare parts scope of supply in sub annexes A, B and C:

Annex 2: Products and/or Services Terms and Conditions. Products and/or Services Terms and Conditions (Sept. 2019).

## Annex 1:

### Annex 1, A: Spare Parts List for Steam Turbine Major Outage

No.	Description	Material number	Quantity	Unit Price (USD)	Total Price (USD)
1	ADJUSTING DISC	HTMD403307R0001	1	\$437.00	\$437.00
2	ADJUSTING DISC ASSEMBLY, D56	HTMD403309R0001	3	\$609.00	\$1,827.00
3	AIR CUSHION	GME0863026R0001	1	\$12,270.00	\$12,270.00
4	APPARATUS BOX	HTGD328783R0001	2	\$11,105.00	\$22,210.00
5	AXIAL CAP BOLT, M10	GME0930003P0001	32	\$998.00	\$31,936.00
6	AXIAL LOCKING SEGMENT	HTGD333890P0019	64	\$118.00	\$7,552.00
7	AXIAL LOCKING SEGMENT	HTGD333890P0020	16	\$171.00	\$2,736.00
8	AXIAL LOCKING SEGMENT	HTGD333890P0023	76	\$118.00	\$8,968.00
9	AXIAL LOCKING SEGMENT	HTGD333890P0024	12	\$174.00	\$2,088.00
10	AXIAL LOCKING SEGMENT	HTGD333890P0043	64	\$171.00	\$10,944.00
11	AXIAL LOCKING SEGMENT	HTGD333890P0044	16	\$171.00	\$2,736.00
12	BALANC.SEGMENT 27.3X15X18	HTGD335715P0001	6	\$195.00	\$1,170.00
13	BALANC.SEGMENT 27.3X15X30	HTGD335715P0002	6	\$139.00	\$834.00
14	BALANCE PIN M24 X 70	D 430321P0001	2	\$136.00	\$272.00
15	BALANCE PIN, M24-T x 104MM	D 430321P0002	2	\$192.00	\$384.00
16	BAL-SEGMENT 27,43X15X30	D 418381P0002	1	\$327.00	\$327.00
17	BASIC RESIN EP 03 (MSDS)	NBT 401839P0003	2	\$130.00	\$260.00
18	BEARING INSULATION	GME0323001P0010	1	\$1,133.00	\$1,133.00
19	BEARING INSULATION	GME0323001P0012	1	\$840.00	\$840.00
20	BEARING INSULATION	GME0323001P0013	1	\$443.00	\$443.00
21	BEARING INSULATION	GME0323001P0014	1	\$916.00	\$916.00
22	BEARING INSULATION	GME0323001P0018	1	\$1,243.00	\$1,243.00
23	BLIND FLANGE	D 421833P0001	1	\$2,842.00	\$2,842.00
24	BLIND FLANGE, 330 x 31mm W/14HL	D 419982P0001	1	\$1,568.00	\$1,568.00
25	BODY BOLT	GMN 313815P0161	10	\$38.00	\$380.00
26	BOLT	GME0865050P0004	4	\$720.00	\$2,880.00
27	BOLT HEATERS	HTGD328784R0001	1	\$13,897.00	\$13,897.00
28	BOLT, 16 x 35mm	D 418057P0001	7	\$44.00	\$308.00
29	BUSH	TGR 305532P0001	1	\$5,872.00	\$5,872.00
30	BUSHING	D 420040P0001	2	\$5,385.00	\$10,770.00
31	BUSHING	GME0865050P0006	4	\$767.00	\$3,068.00
32	CALKING WIRE	HTMD001256P0050	84	\$681.00	\$57,204.00

GE Steam Power Caribe, Inc.

No.	Description	Material number	Quantity	Unit Price (USD)	Total Price (USD)
33	CARBON BRUSH 38X38X68	UTGE417064R0001	92	\$124.00	\$11,408.00
34	CAULKING TOOL	GME0865083P0001	2	\$394.00	\$788.00
35	CAULKING WIRE 2.8X2.0/1R - MAT.ST16MO OR	D 423554P0005	1951	\$15.00	\$29,265.00
36	CAULKING WIRE, 5.0 x 2.5mm	D 505349P0001	22	\$44.00	\$968.00
37	CAULKING, 5.0 x 1.2mm	D 414726P0004	13	\$15.00	\$195.00
43	COMPRESSION FITTING	HTGA401487P0001	4	\$165.00	\$660.00
44	CORD	GMN592010P0111	1	\$319.00	\$319.00
45	COUNTERSUNK SCREW, M6-T x 16	D 403448P0001	8	\$122.00	\$976.00
46	CYL.COM SPRING D14/2,5X29	D 406863P0001	520	\$12.00	\$6,240.00
47	CYL.COMPR.SPR. 7,1/1,0-T	D 418053P0001	110	\$16.00	\$1,760.00
48	CYLINDER PIN	HTGD128373P0005	4	\$144.00	\$576.00
49	CYLINDER PIN	HTGD128373P0011	2	\$223.00	\$446.00
50	CYLINDER PIN	HTGD128373P0019	2	\$207.00	\$414.00
51	CYLINDRICAL SCREW	NBT 400037P0087	7	\$145.00	\$1,015.00
52	DIAL THERMOMETER	D 419610P0011	2	\$1,624.00	\$3,248.00
53	DIFUSOR INSUL.	GME0947026P0001	16	\$102.00	\$1,632.00
54	DISC	GME0865050P0011	4	\$287.00	\$1,148.00
55	DISC SPRING	NB 434040P0214	16	\$12.00	\$192.00
56	DISC SPRING A 20/10.2 ST	NB 434040P0014	24	\$1.00	\$24.00
57	DOUBLE T/C, TYPE K LM=450mm A=23mm	HTGA402815P8023	1	\$981.00	\$981.00
58	DOUBLE T/C, TYPE K LM=450mm A=29mm	HTGA402815P8029	1	\$981.00	\$981.00
59	DOWEL PIN	D 009428P0008	11	\$179.00	\$1,969.00
60	DOWEL PIN	D 009428P0010	4	\$104.00	\$416.00
61	DUST WIPER RING	R 404273P0010	2	\$891.00	\$1,782.00
62	END SEGMENT AXIAL LOCKING	HTGD333890P0047	76	\$118.00	\$8,968.00
63	END SEGMENT AXIAL LOCKING	HTGD333890P0048	12	\$209.00	\$2,508.00
64	END SEGMENT AXIAL LOCKING	HTGD333890P0058	4	\$96.00	\$384.00
65	END SEGMENT AXIAL LOCKING	HTGD333890P0060	4	\$773.00	\$3,092.00
66	END SEGMENT AXIAL LOCKING	HTGD333890P0070	4	\$1,381.00	\$5,524.00
67	END SEGMENT AXIAL LOCKING	HTGD333890P0072	4	\$693.00	\$2,772.00
68	EXP. STUD SCR M36-TKX180	TGD 218954P0002	1	\$98.00	\$98.00
69	EXP. STUD SCR M48-TKX250	TGD 218960P0003	2	\$98.00	\$196.00
70	EXP.SLEEVE 42,4	TGD 432633P0001	3	\$49.00	\$147.00
71	EXP.STUD SCR. M42-TKX220	TGD 218956P0003	1	\$91.00	\$91.00
72	EXPANSION STUD M24-TKX160	TGD 218950P0005	1	\$213.00	\$213.00
73	EXPANSION SLEEVE 36.4	TGD 432632P0001	3	\$80.00	\$240.00

# GE Steam Power Caribe, Inc.

No.	Description	Material number	Quantity	Unit Price (USD)	Total Price (USD)
74	EXPANSION SLEEVE, 1-3/4"	GMD0916010P0004	4	\$229.00	\$916.00
75	EXPANSION SLEEVE, 19.5MM	D 405744P0001	5	\$498.00	\$2,490.00
76	EXPANSION SLEEVE, 38.5mm	D 405750P0001	2	\$115.00	\$230.00
77	EXPANSION SLEEVE, 65mm	D 405756P0001	13	\$163.00	\$2,119.00
78	EXPANSION SLEEVE, 89	D 417849P0001	7	\$362.00	\$2,534.00
79	EXPANSION STUD	D 215926P0003	17	\$1,891.00	\$32,147.00
80	EXPANSION STUD	D 216473P0002	13	\$671.00	\$8,723.00
81	EXPANSION STUD	D 315833P0011	4	\$1,470.00	\$5,880.00
82	EXPANSION STUD 2 1/4"-GK X 250	D 216475P0003	16	\$396.00	\$6,336.00
83	EXPANSION STUD, 1-1/2 x 220mm	D 216471P0004	2	\$723.00	\$1,446.00
84	EXPANSION STUD, 1-3/4 x 280mm	D 216473P0007	1	\$359.00	\$359.00
85	EXPANSION STUD, 1-3/4" x 250mm	GMD0911010P0069	2	\$560.00	\$1,120.00
86	EXPANSION STUD, 2-1/2" x 450mm	D 216476P0007	8	\$358.00	\$2,864.00
87	EXPANSION STUD, 2-1/4 x 315mm	D 216475P0005	10	\$470.00	\$4,700.00
88	EXPANSION STUD, 3 IN X 425MM	D 215872P0001	1	\$5,702.00	\$5,702.00
89	EXPANSION STUD, 3/4" x 110MM	D 216465P0005	5	\$491.00	\$2,455.00
90	EXPANSION STUD, 3/4" x 80mm	D 216465P0002	7	\$423.00	\$2,961.00
91	EXPANSION STUD, 3/4" x 90mm	D 216465P0003	3	\$250.00	\$750.00
92	EXPANSION STUD, 3-1/2" x 975mm	D 215919P0004	4	\$2,039.00	\$8,156.00
95	EXPANSION STUD, 7/8" x 200mm	GMD0911103P0071	1	\$530.00	\$530.00
96	EXPANSION STUD, M36-TK x 220MM	TGD 218954P0004	2	\$232.00	\$464.00
97	FAN SUPPORT BLOCK	GME0862042R0001	1	\$8,750.00	\$8,750.00
98	FLAT WASHER, 26/60mm	NB 335450P0021	64	\$48.00	\$3,072.00
101	GASKET	GMD0161428P0003	4	\$1,393.00	\$5,572.00
102	GASKET	GMD0926351P0021	3	\$902.00	\$2,706.00
103	GASKET	GME0164034P0002	2	\$454.00	\$908.00
104	GASKET	GME0181006P0002	4	\$30.00	\$120.00
105	GASKET	GME0944011P0001	3	\$116.00	\$348.00
106	GASKET	GME2580000P0012	2	\$1,347.00	\$2,694.00
107	GASKET	GME2580000P0013	2	\$1,944.00	\$3,888.00
108	GASKET	GME5713219P0031	2	\$7.00	\$14.00
109	GASKET	HTGD129732P0001	2	\$679.00	\$1,358.00
110	GASKET	HTGD481290P0001	2	\$48.00	\$96.00
111	GASKET	HTGD481298P0001	4	\$17.00	\$68.00
112	GASKET	HTGD481307P0001	1	\$86.00	\$86.00
113	GASKET	HTGG130767P0051	4	\$826.00	\$3,304.00

## **Attachment B**





# Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00081316  
Release :  
Executed: 07/12/2018  
Printed : 09/06/2019  
Page : 1

Mail Invoice To:

Vendor:

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

CORTES INDUSTRIAL ORGANIZATION  
PO BOX 41264  
SAN JUAN PR 00940

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

Ext:

Work Location:  
JEFE CENTRAL CAMBALCHE  
CENTRAL CAMBALACHE  
CARR. NUM.2 INT. 681  
BO. ISLOTE, SECTOR PASAJE  
ARECIBO PR 00612

Title: REPARACION Y REACONDICIONAMIENTO DE ESTACIONES SANITARIAS

\*\* DUPLICATE COPY \*\*

Total Value : \$69,647.00 USD  
Pricing Method: ESTIMATE

\*\* NOT TO EXCEED \*\*

Contract Type : SERVICES  
Project :

Start Date: 07/12/2018  
End Date :

Vendor Authorized Signature

Printed Name/Title

Date Signed

Phone

MARIO MIRANDA SANCHEZ  
MARIO MIRANDA SANCHEZ  
Supervisor de Compras Principal  
Supervisor de Compras Principal

Printed Name/Title

Date Signed

Phone

Terms and Conditions - Text at End

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





# Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00081316  
Release :  
Executed: 07/12/2018  
Printed : 09/06/2019  
Page : 2

## Terms and Conditions - Text at End

Fac	Standard	Rev	S/P	Text	Title
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000039	008	S	Y	PRICE & PAYMENT
	PH000056	008	S	Y	TAXES AND DUTIES
	PH000080	002	S	Y	QUALITY STANDARDS AND WARRANTIES 2

## Contract Amendments

Amendment: 001  
Title : REPARACION Y REACONDICIONAMIENTO DE ESTACIONES SANITARIAS  
Amended Start :  
Amendment Value: \$22,019.00  
Pricing Method :  
Execution Date : 09/06/2019  
Amended End Date:

## Amendment Scope

ENMIENDA ORDEN 81316

SE EXPIDE ESTA ENMIENDA PARA AÑADIR UNOS TRABAJOS ADICIONALES NO CONTEMPLADOS EN LA ORDEN ORIGINAL; EL MISMO INCLUYE TRABAJOS EN TODOS LOS COMPONENTES DE LA ESTACIÓN Y EL REMPLAZO DE LA TUBERÍA ASOCIADA. INCLUIMOS LA CANTIDAD DE \$22,019.00 PARA LA REPARACIÓN DE LAS BOMBAS Y LA REHABILITACIÓN DE LAS ESTACIONES SANITARIAS.

TODO DE ACUERDO A SOLICITUD DE HERMINIO A. ARROYO PÉREZ, INGENIERO SUPV. PRINCIPAL CENTRAL CAMBALACHE.

LOS DEMAS TERMINOS Y CONDICIONES DE LA ORDEN ORIGINAL PERMANECEN INALTERADOS.

LUGAR CENTRAL CAMBALACHE

ATT. HERMINIO A. ARROYO Y/O REINALDO MORALES ROLDAN TEL.787-521-6271

DESGLOCE DE LOS TRABAJOS ADICIONALES DE REPARACION PARA LAS BOMBAS DE LAS ESTACIONES SANITARIAS:

1.3. Trabajos de reparación adicionales, para las bombas de las estaciones sanitarias

1.3.1. Bombas de 3HP modelos 3085 (2ea)

1.3.1.1. Rebobinar estator

1.3.1.2. Remover y reinstalar laminaciones del embobinado

1.3.1.3. Metalizar el área del sello mecánico

1.3.1.4. Fabricar el rotating wear ring

1.3.1.5. Fabricar el static wear ring

1.3.1.6. Metalizar el housing opposite drive end (#1)

1.3.1.7. Metalizar el housing drive end (#2)

1.3.1.8. Metalizar el bearing journal opposite drive end (#1)



## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00081316  
Release :  
Executed: 07/12/2018  
Printed : 09/06/2019  
Page : 3

- 1.3.1.9. Metalizar el bearing journal drive end (#2)
- 1.3.1.10. Proveer a instalar cable de conexión (power)
- 1.3.1.11. Proveer a instalar Grommet
- 1.3.1.12. Proveer a instalar detector de temperatura (Klixon)
- 1.3.2. Bombas de 5HP modelos 3102 (2ea)
  - 1.3.2.1. Metalizar el área del sello mecánico
  - 1.3.2.2. Fabricar el rotating wear ring
  - 1.3.2.3. Fabricar el stationary wear ring
  - 1.3.2.4. Proveer a instalar cable de conexión (power)
  - 1.3.2.5. Proveer a instalar Grommet
  - 1.3.2.6. Proveer a instalar lead thru
  - 1.3.2.7. Proveer a instalar arandela de protección (protective washer)
  - 1.3.2.8. Proveer a instalar protector de desgaste ( wear protection)
- 1.3.3. Bombas de 10HP modelos 3127 (4ea)
  - 1.3.3.1. Rebobinar estator
  - 1.3.3.2. Remover y reinstalar laminaciones del embobinado
  - 1.3.3.3. Metalizar el área del sello mecánico
  - 1.3.3.4. Fabricar el rotating wear ring
  - 1.3.3.5. Fabricar el static wear ring
  - 1.3.3.6. Metalizar el housing opposite drive end (#1)
  - 1.3.3.7. Metalizar el housing drive end (#2)
  - 1.3.3.8. Metalizar el bearing journal opposite drive end (#1)
  - 1.3.3.9. Metalizar el bearing journal drive end (#2)
  - 1.3.3.10. Proveer a instalar cable de conexión (power)
  - 1.3.3.11. Proveer a instalar Grommet
  - 1.3.3.12. Proveer a instalar detector de temperatura (Klixon)

### *Terms and Conditions - Text*

PH000001 004 EQUAL OPPORTUNITY  
EQUAL OPPORTUNITY.

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

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

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



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

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

PH000007 004 APPLICABLE LAW  
APPLICABLE LAW.

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

PH000011 006 CHANGES TO ORDER.  
CHANGES TO ORDER.

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

PH000039 008 PRICE & PAYMENT  
PRICE & PAYMENT.

The prices specified in the Purchase Order shall include all charges and expenses in connection with the packing and shipping of the Materials to Buyer. No additional charges of any kind will be allowed unless



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specifically agreed to in writing in advance. Payment will be made as set forth in this Order; however payment may be withheld or portions thereof may be deducted or setoffs may be made against Seller if Seller does not perform in accordance with this Order. The time for payment of invoices and acceptance of any applicable discounts shall be based on the date when the invoice is received and stamped by PREPA's Accounts Payable, and all pertinent information is correct on the invoice.

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

PH000056 008 TAXES AND DUTIES  
TAXES AND DUTIES.

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

Important:

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

PH000080 002 QUALITY STANDARDS AND WARRANTIES 2  
Rejected Material and Services or Work Product may be returned or re-performed at Seller's expense. The making or failure to make any inspection, approval, payment or acceptance of the Materials, Work Product or Services shall in no way impair Buyer's right to reject or revoke acceptance of non-conforming Materials, Work Product or Services or to avail itself of any other remedies to which Buyer may be entitled, notwithstanding Buyer's knowledge, the substantiality, or the ease of discovery of any non-conformity. If any time prior to one (1) year from the date of completion of any Services, or the earlier of one (1) year from the date of installation or eighteen(18) months from receipt of any Materials or Work Product if the Materials, Work Product or Services, or any part thereof, do not conform to these warranties or the specifications, Seller shall promptly correct such nonconformity to the satisfaction of Buyer at Seller's sole expense; failing which, Buyer may



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proceed to make corrections or accomplish Seller's work by the most expeditious means available, and the costs of cover or correction shall be for Seller's account. Seller's liability hereunder shall extend to all damages proximately caused by the breach of any of the foregoing warranties, including incidental damages such as removal, inspection, costs of return, warehousing and reinstallation. These warranties are in addition to, and shall not be construed as restricting or limiting any warranties of Seller, express or implied, or which are provided by law or exist by operation of law.

\* \* \* End of Contract \* \* \*

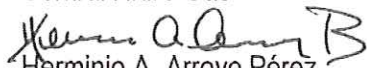


GOBIERNO DE PUERTO RICO  
Autoridad de Energía Eléctrica de Puerto Rico

9 de agosto de 2019

Daniel Hernández Morales  
Director de Generación

José A. Pagán Hernández  
Jefe de Operación y/o Conservación  
Central Hidro Gas

  
Herminio A. Arroyo Pérez  
Ingeniero Supervisor Principal  
Central Cambalache

**SOLICITUD DE ENMIENDA CONTRATO 81316 - REHABILITACIÓN DE ESTACIONES SANITARIAS**

El sistema de bombeo de aguas sanitarias de la Central Cambalache se está rehabilitando bajo el contrato de referencia a un costo de \$47,628. El mismo incluye trabajos en todos los componentes de la estación y el reemplazo de la tubería asociada. Las bombas de dicho sistema fueron enviadas para su reacondicionamiento o reemplazo de componentes menores.

En el proceso de reacondicionamiento se hallaron daños internos no contemplados originalmente. Personal de la Central visitó las instalaciones del contratista para verificar los daños internos encontrados e identificó los componentes a reemplazar y trabajos adicionales como la metalización de los ejes. Dichos trabajos no se incluyeron en la requisición original por lo que es necesario enmendar el contrato.

Se evaluaron diferentes alternativas como la compra de bombas nuevas, pero la adquisición de estos equipos (ocho en total) tiene un costo aproximado de \$86,000, lo que resulta oneroso para la empresa. Los costos de reparación ascienden a \$37,019 o un 43% de su valor, por lo que sigue siendo costo efectivo para la Autoridad.

Por lo señalado, solicitamos aumentar el contrato en \$22,019, elevando el mismo a \$69,647, para la reparación de las bombas y la rehabilitación de las estaciones sanitarias.

Puede comunicarse por el 6279 o 6296 para más información.



Apartado 364267 San Juan, Puerto Rico 00936-4267

\*Somos un patrono con igualdad de oportunidades en el empleo y no discriminamos por razón de raza, color, sexo, edad, origen social o nacional, condición social afiliación política, ideas políticas o religiosas; por ser víctima o ser percibida(o) como víctima de violencia doméstica, agresión sexual o acoso, sin importar estado civil, orientación sexual, identidad de género o estatus migratorio; por impedimento físico, mental o ambos por condición de veterano(a) o por información genética.\*



1.3.Trabajos de reparación adicionales, para las bombas de las estaciones sanitarias

1.3.1.Bombas de 3HP modelos 3085 (2ea)

- 1.3.1.1. Rebobinar estator
- 1.3.1.2. Remover y reinstalar laminaciones del embobinado
- 1.3.1.3. Metalizar el área del sello mecánico
- 1.3.1.4. Fabricar el rotating wear ring
- 1.3.1.5. Fabricar el static wear ring
- 1.3.1.6. Metalizar el housing opposite drive end (#1)
- 1.3.1.7. Metalizar el housing drive end (#2)
- 1.3.1.8. Metalizar el bearing journal opposite drive end (#1)
- 1.3.1.9. Metalizar el bearing journal drive end (#2)
- 1.3.1.10. Proveer a instalar cable de conexión (power)
- 1.3.1.11. Proveer a instalar Grommet
- 1.3.1.12. Proveer a instalar detector de temperatura (Klixon)

1.3.2.Bombas de 5HP modelos 3102 (2ea)

- 1.3.2.1. Metalizar el área del sello mecánico
- 1.3.2.2. Fabricar el rotating wear ring
- 1.3.2.3. Fabricar el stationary wear ring
- 1.3.2.4. Proveer a instalar cable de conexión (power)
- 1.3.2.5. Proveer a instalar Grommet
- 1.3.2.6. Proveer a instalar lead thru
- 1.3.2.7. Proveer a instalar arandela de protección (protective washer)
- 1.3.2.8. Proveer a instalar protector de desgaste ( wear protection)

1.3.3.Bombas de 10HP modelos 3127 (4ea)

- 1.3.3.1. Rebobinar estator
- 1.3.3.2. Remover y reinstalar laminaciones del embobinado
- 1.3.3.3. Metalizar el área del sello mecánico
- 1.3.3.4. Fabricar el rotating wear ring
- 1.3.3.5. Fabricar el static wear ring
- 1.3.3.6. Metalizar el housing opposite drive end (#1)
- 1.3.3.7. Metalizar el housing drive end (#2)
- 1.3.3.8. Metalizar el bearing journal opposite drive end (#1)
- 1.3.3.9. Metalizar el bearing journal drive end (#2)
- 1.3.3.10. Proveer a instalar cable de conexión (power)
- 1.3.3.11. Proveer a instalar Grommet
- 1.3.3.12. Proveer a instalar detector de temperatura (Klixon)

## Mario E Miranda

---

**From:** Reinaldo Morales Roldan  
**Sent:** Thursday, September 05, 2019 1:27 PM  
**To:** Mario E Miranda  
**Subject:** RE: Seguimiento a compra de materiales y enmienda a contrato  
**Attachments:** Desglose Trabajos Enmienda I Contrato 81316 Estaciones Sanitarias.doc; Solicitud Enmienda I Contrato 81316 Rehabilitacion Estaciones Sanitarias.pdf

Ahora si.

---

**From:** Mario E Miranda  
**Sent:** Thursday, September 05, 2019 11:31 AM  
**To:** Reinaldo Morales Roldan  
**Subject:** RE: Seguimiento a compra de materiales y enmienda a contrato

Adjunto donde?

---

**From:** Reinaldo Morales Roldan  
**Sent:** Thursday, September 05, 2019 11:14 AM  
**To:** Mario E Miranda  
**Subject:** RE: Seguimiento a compra de materiales y enmienda a contrato

Saludos Mario:

Adjunto te envio la solicitud de enmienda y el desglose de trabajo adicional al contrato 81316, con la cantidad de aumento y su totalidad.

De necesitar información adicional, déjame saber.

Gracias,

**Reinaldo Morales Roldán**  
Ingeniero Supervisor Ingreso  
Central Cambalache  
Tel.: (787) 521-6271  
Cel.: (787) 614-7833  
Email: [reinaldo.morales@prepa.com](mailto:reinaldo.morales@prepa.com)



**Autoridad de  
Energía Eléctrica**

---

**From:** Mario E Miranda  
**Sent:** Thursday, September 05, 2019 10:33 AM



**To:** Reinaldo Morales Roldan

**Subject:** RE: Seguimiento a compra de materiales y enmienda a contrato

Saludos: enviame el memorando solicitud de enmienda para proceder con la misma; debes incluir los cambios a enmendar, si incluye aumento en dinero y que cantidad.

Gracias.

---

**From:** Reinaldo Morales Roldan

**Sent:** Tuesday, September 03, 2019 2:09 PM

**To:** Mario E Miranda

**Subject:** Seguimiento a compra de materiales y enmienda a contrato

Saludos Mario:

Necesito saber el status de las ordenes de materiales y enmienda a contrato siguientes:

1. Combination motor starter MR588775
2. Lamparas de Emergencia de Cambalache MR565097
3. Enmienda 1 Contrato de Reacondicionamiento de estaciones sanitarias Contrato 81316

Agradecere la ayuda que me pueda brindar al respecto, ya que el starter sirve a los pozos que suplen agua a las unidades; y las siguientes dos son para atender señalamientos de seguridad .

**Reinaldo Morales Roldán**

Ingeniero Supervisor Ingreso

Central Cambalache



**Autoridad de  
Energía Eléctrica**

**Dirección Física:**

Carretera #2, Km 73.5

Interior 6681

Bo. Islote, Sector El Pasaje

Arecibo, PR

**Dirección Postal:**

AEE – Central Cambalache

Box 708

Arecibo, PR 00613-0708

Tel. (787) 521-6271

Fax (787) 521-0680

E-mail: [reinaldo.morales@prepa.com](mailto:reinaldo.morales@prepa.com)

Visite nuestra página en la Internet en: [www.aeepr.com](http://www.aeepr.com)

Visit our Web Page at [www.prepa.com](http://www.prepa.com)



# Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00080740  
Release :  
Executed: 06/09/2018  
Printed : 01/29/2019  
Page : 1

Mail Invoice To:

Vendor:

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

ENGINEERED PARTS SERVICES  
PO BOX 1899  
VEGA ALTA PR 00692-1899

Please Direct Inquiries to:

YADIRA L. LUGO-CORDERO  
Y-LUGO@AEEPR.COM

Title: PROCUREMENT SUPV

Phone: (787) 521-3235

Fax :

Ext:

Work Location:

JEFE CENTRAL CAMBALCHE

CENTRAL CAMBALACHE

CARR. NUM.2 INT. 681

BO. ISLOTE, SECTOR PASAJE

ARECIBO PR 00612

Title: SISTEMA DE BOMBEO DE AGUA DE ESCORRENTÍA, CENTRAL CAMBALACHE

\*\* DUPLICATE COPY \*\*

Total Value : \$344,265.00 USD

\*\* NOT TO EXCEED \*\*

Pricing Method: ESTIMATE

Contract Type : SERVICES

Start Date: 06/05/2018

Project :

End Date :

*Lionel Marino*

Vendor Authorized Signature

*Lionel Marino / Account Manager*

Printed Name/Title

*01/29/2019*

Date Signed

*787-503-1108*

Phone

*Delis J. Zambrana Colon*

Authorized Signature

*Delis J. Zambrana Colon, Jefe de Subdiv. Compras*

Printed Name/Title

*01/29/2019*

Date Signed

*787-521-3321*

Phone

*Aprobado en Ascat Sub 01/25/2019*

Terms and Conditions - Text at End

Fac	Standard	Rev S/P Text	Title
	PH000001	004 S Y	EQUAL OPPORTUNITY
	PH000002	005 S Y	COMPLIANCE WITH LAWS.



## Contract

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### Terms and Conditions - Text at End

Fac	Standard	Rev	S/P	Text	Title
	PH000004	005	S	Y	INFRINGEMENT
	PH000006	016	S	Y	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000031	009	S	Y	CONFIDENTIALITY
	PH000033	009	S	Y	FORCE MAJEURE
	PH000037	007	S	Y	TERMINOS PARA RETENCION EN EL ORIGEN
	PH000038	005	S	Y	NONWAIVER.
	PH000039	008	S	Y	PRICE & PAYMENT
	PH000040	007	S	Y	RELATIONSHIP OF THE PARTIES.
	PH000057	005	S	Y	TERMINATION
	PH000080	002	S	Y	QUALITY STANDARDS AND WARRANTIES 2
	PH000082	002	S	Y	ANTI-KICKBACK

### Insurance Requirements

Coverage	Start	End	Insurance Description
\$1,000,000	07/14/2017	07/14/2019	AUTOMOBILE LIABILITY INSURANCE
\$2,000,000	07/14/2017	07/14/2019	COMMERCIAL GENERAL LIABILITY INSURAN
\$1,000,000	07/14/2017	07/14/2019	EMPLOYER'S LIABILITY INSURANCE
\$118,800			PAYMENT BOND
\$118,800			PERFORMANCE BOND
\$118,800			POWER OF ATTORNEY
\$237,000	07/01/2017	11/16/2018	WORKMEN'S COMPENSATION INSURANCE OF

### Contract Amendments

Amendment: 001	Execution Date : 01/25/2019
Title : ENMIENDA I, SISTEMA DE BOMBEO DE AGUA DE ESCORRENTÍA, CAMBALACHE	
Amended Start :	Amended End Date:
Amendment Value: \$47,265.00	
Pricing Method :	

### Amendment Scope

ENMIENDA ORDEN 80740 (CHR # 656)

SE EXPIDE ESTA ENMIENDA PARA AUMENTAR EL CONTRATO EN REFERENCIA POR LA CANTIDAD DE \$47,265.00 PARA UN TOTAL DE \$344,265.00.

TODO DE ACUERDO A SOLICITUD DEL ING. HERMINIO A. ARROYO JEFE, CENTRAL CAMBALACHEO



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LOS DEMAS TERMINOS Y CONDICIONES DE LA ORDEN ORIGINAL PERMANECEN INALTERADOS.

ATT. ING. HERMINIO A. ARROYO

RE: enmienda para cubrir los daños ocultos encontrados en el sistema de bombeo de aguas de escorrentías de la Central y a su vez cubrir la compra e instalación de cuatro interruptores de seguridad en cumplimiento con los códigos vigentes.

1. Excentric Reducer and Check Valve - Storm Water

Labor and material to remove 14"x20" excentric reducer on storm water pit and install new CI excentric reducer and nipple. Includes all labor and materials.

Price provided in consideration of qty: 4

\$25,450.00

2. NEMA 4X Safety Disconnects - Storm Water

Labor and material to install NEMA4X non-fused safety disconnect, for 75 HP storm water pump on storm water pump station. Local safety requirement.

Heavy Duty (600 V max), Non-Fusible,  
Number of Poles:3, Voltage AC  
Max:600V, Max Ampere Rating: 200A,  
Less Neutral, Type 4/4X Stainless Steel 304.

Includes all labor and materials.

Price provided in consideration of qty: 4

\$21,815.00

Total: \$47,265 (Desglose: Material: \$32,765.00 + Labor: \$14,500.00)

*Terms and Conditions - Text*

PH000001 004 EQUAL OPPORTUNITY  
EQUAL OPPORTUNITY.

By accepting this Purchase Order, the Seller certifies that it will not





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discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify Buyer against any claims arising from such unlawful discrimination by Seller.

PH000002 005 COMPLIANCE WITH LAWS.  
COMPLIANCE WITH LAWS.

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

PH000004 005 INFRINGEMENT  
INFRINGEMENT.

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

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

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



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

### LOCAL AND FEDERAL TAXES CLAUSE

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

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

PH000007 004 APPLICABLE LAW  
APPLICABLE LAW.

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

PH000011 006 CHANGES TO ORDER.  
CHANGES TO ORDER.

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

PH000031 009 CONFIDENTIALITY  
CONFIDENTIALITY.





## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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

PH000033 009 FORCE MAJEURE  
FORCE MAJEURE.

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

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

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

20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL POFESIONAL FUERA UN INDIVIDUO NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.

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



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

PH000038 005 NONWAIVER.  
NONWAIVER.

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

PH000039 008 PRICE & PAYMENT  
PRICE & PAYMENT.

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

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

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

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





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

PH000057 005 TERMINATION  
TERMINATION.

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

PH000080 002 QUALITY STANDARDS AND WARRANTIES 2  
Rejected Material and Services or Work Product may be returned or re-performed at Seller's expense. The making or failure to make any inspection, approval, payment or acceptance of the Materials, Work Product or Services shall in no way impair Buyer's right to reject or revoke acceptance of non-conforming Materials, Work Product or Services or to avail itself of any other remedies to which Buyer may be entitled, notwithstanding Buyer's knowledge, the substantiality, or the ease of discovery of any non-conformity. If any time prior to one (1) year from the date of completion of any Services, or the earlier of one (1) year from the date of installation or eighteen(18) months from receipt of any Materials or Work Product if the Materials, Work Product or Services, or any part thereof, do not conform to these warranties or the specifications, Seller shall promptly correct such nonconformity to the satisfaction of Buyer at Seller's sole expense; failing which, Buyer may proceed to make corrections or accomplish Seller's work by the most expeditious means available, and the costs of cover or correction shall be for Seller's account. Seller's liability hereunder shall extend to all



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

PH000082 002 ANTI-KICKBACK

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

\* \* \* End of Contract \* \* \*



GOBIERNO DE PUERTO RICO  
AUTORIDAD DE ENERGÍA ELÉCTRICA DE PUERTO RICO

SAN JUAN, PUERTO RICO



WWW.AEEPR.COM

APARTADO 384267  
CORREO GENERAL  
SAN JUAN, PUERTO RICO 00938-4267

Caso referido por: \_\_\_\_\_

Nuevo	X
Renovación	
Reevaluar	

3 de octubre de 2018

Sammy L. Rodríguez Ortega  
Administrador Interino  
Administración de Riesgos

**Evaluación de Seguros 00081742 – Heavy Equipment**

Solicitamos la evaluación de los documentos legales o seguros requeridos en el contrato de referencia. Estos necesitan de su aprobación para poder procesar el pago.

Agradeceremos que nos incluyan las fechas de vigencia o efectividad de cada seguro (si aplica) para incluirlas en las pantallas del sistema mecanizado. Esto es imprescindible para que al momento de procesar las facturas para pago, podamos compararlas con las fechas en que se brindó el servicio y/o fecha en que se entregó el material solicitado.

De necesitar información adicional, favor comunicarse al 3400 / 3358 o visitar la Sección de Verificaciones en la oficina 301, Edificio NEOS.

Documentos requeridos adjuntos:

- X Copia orden (copia contrato)
- X Certificación Compensación para Accidentes en el Trabajo
- X Seguro Responsabilidad Pública General (General Liability)
- X Seguro Responsabilidad Pública de Auto (Automobile Liability)
- X Seguro Responsabilidad Patronal (Employer's Liability)
- Seguro Ambiental
- Fianza de Ejecución (Performance Bond)
- Poder del Abogado (Power of Attorney)
- Fianza de Pago (Payment Bond)
- NOTA: recibo de pago de la CFSE

Yamila Morales Asad, Supervisora  
Servicios Administrativos Principal  
Sección de Verificaciones



# Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00081742  
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Mail Invoice To:

Vendor:

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

HEAVY EQUIPMENT SPECIALISTS INC  
URB VILLAS DE CANDELERO  
113  
CALLE ZORZAL G23  
HUMACAO PR 00791

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

Ext:

Work Location:

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

Title: SERVICIO REQUERIMIENTO REPARACION EQUIPOS HIDRAULICOS CAMBALACHE

Total Value : \$30,000.00 USD  
Pricing Method: ESTIMATE

\*\* NOT TO EXCEED \*\*

Contract Type : SERVICES  
Project :

Start Date: 09/18/2018  
End Date : 09/18/2019

Vendor Authorized Signature

Printed Name/Title

Date Signed

Phone

MARIO MIRANDA SANCHEZ  
Principal  
Authorized Signature

Printed Name/Title

9-18-2018

787-521-3301

Terms and Conditions - Text at End

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



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### Terms and Conditions - Text at End

Fac	Standard	Rev	S/P	Text	Title
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000039	008	S	Y	PRICE & PAYMENT
	PH000056	008	S	Y	TAXES AND DUTIES
	PH000080	002	S	Y	QUALITY STANDARDS AND WARRANTIES 2

### Scope of Work

ORDEN 81742

SE ADJUDICA ESTA ORDEN DE ACUERDO A NUESTRAS  
ESPECIFICACIONES, TERMINOS, CONDICIONES Y SU COTIZACION.

LUGAR DIV. HIDRO GAS CAMBALACHE

ATT. ING. JAIME LOPEZ TEL. 787-521-5600

SEGUROS:

FONDO DEL SEGURO DE ESTADO

RESPONSABILIDAD PUBLICA, AUTO, PATRONAL \$1,000,000.00

RE: SERVICIO DE REPARACIÓN Y MANTENIMIENTO PARA TRACTORES, GENERADORES DE EMERGENCIA, SISTEMAS HIDRAULICOS Y MOTORES DE BOTES EN LA DIVISION HIDRO GAS CAMBALACHE POR UN TERMINO DE 12 MESES CON UN AÑO EXTENSION DE SER NECESARIO.

INCLUYE PERO NO SE LIMITA A:

1. PIEZAS NUEVAS O REMPLAZOS CERTIFICADOS POR EL FABRICANTE
2. SERVICIOS ESPECIALIZADOS POR TÉCNICOS CERTIFICADOS
3. TRANSPORTE DE RECOGIDO Y ENTREGA A RIEGO JUANA DÍAZ (DE SER NECESARIO)
4. TALLERES CON LAS FACILIDADES DE REPARACIÓN EN PUERTO RICO
5. SEGUROS, PAGOS DE PATENTES Y CONTRIBUCIONES

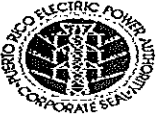
TERMINOS Y CONDICIONES:

1. TODO DE ACUERDO A LISTA DE PRECIOS QUE DETALLA EL COSTO DE MANO DE OBRA Y LOS CONSUMIBLES PARA EL MANTENIMIENTO DE LOS EQUIPOS DESCRITOS ANTERIORMENTE. TODO MANTENIMIENTO SERÁ A REQUERIMIENTO Y SE PAGARÁN SEGÚN EL DESGLOSE POR EQUIPO.

2. DE ACUERDO A COTIZACION EL PRECIO POR HORA ES DE \$48.00 PARA EL SERVICIO DE MECÁNICA DIESEL PARA UTILIZARSE EN CASO DE CUALQUIER TIPO DE ROTURA DE LOS EQUIPOS LISTADOS. ESTE PRECIO SE PAGARÁ POR HORA TRABAJADA. SERVICIO SE COMPONE:

REPARACION DE MOTORES, CALIBRACIONES ELECTRICAS, REPARACION DEL SIST. A/C, MONTURA DE CRISTALES, REPARACION SIST. ELECTRICO, REPARACION TRANSMISIONES Y DIFERENCIALES, SOLDADURAS, MANTENIMIENTO (CAMBIO DE ACEITE Y FILTRO, ENGRASE Y LAVADO DE EQUIPO), DIAGNOSTICO COMPUTARIZADO, REPARACION DE TODO SIST. HIDRAULICO, LIMPIEZA DEL SIST. DPF Y SISTEMAS DE FRENOS





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NEUMATICOS.

3. EL PRECIO DE LAS PIEZAS REQUERIDAS PARA CADA REPARACION SE COBRARA CON UN VALOR DE \$1.00 NOMINAL A COSTO ORIGINAL DE DADA PIEZA.

4. EL CONTRATISTA SOMETERÁ COTIZACIÓN DE LOS COSTOS DE PIEZAS PARA SER APROBADOS POR LA AEE ANTES DE REALIZAR LA REPARACIÓN.

### *Terms and Conditions - Text*

PH000001 004 EQUAL OPPORTUNITY  
EQUAL OPPORTUNITY.

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

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

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

PH000007 004 APPLICABLE LAW  
APPLICABLE LAW.

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

PH000011 006 CHANGES TO ORDER.  
CHANGES TO ORDER.



## Contract

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

PH000039 008 PRICE & PAYMENT  
PRICE & PAYMENT.

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

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

PH000056 008 TAXES AND DUTIES  
TAXES AND DUTIES.

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





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Product.

Important:

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

### PH000080 002 QUALITY STANDARDS AND WARRANTIES 2

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

\* \* \* End of Contract \* \* \*

ESTADO LIBRE ASOCIADO DE PUERTO RICO  
AUTORIDAD DE ENERGÍA ELÉCTRICA DE PUERTO RICO  
SAN JUAN, PUERTO RICO

WWW.AEEPR.COM



CORREO GENERAL  
APARTADO 364267  
SAN JUAN, PUERTO RICO 00936-4267

18 de septiembre de 2018

HEAVY EQUIPMENT SPECIALISTS INC  
URB. VILLAS DE CANDELERO 113  
CALLE ZORZAL G23  
HUMACAO PR 00791

Orden Número: 81742  
Cantidad Total: \$30,000.00

Descripción : CONTRATO A REQUERIMIENTO PARA EL SERVICIO DE REPARACION EQUIPOS HIDRAULICOS CAMBALACHE

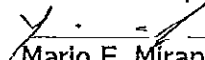
La Autoridad de Energía Eléctrica le adjudico la orden en referencia. Para estos fines, le solicitamos presente en o antes de los próximos diez **(10) días**, los documentos originales que le indicamos:

- Certificación Fondo del Seguro del Estado
- Seguro de Responsabilidad Pública \$1,000,000.00
- Seguro de Responsabilidad Patronal \$1,000,000.00
- Seguro de Responsabilidad Pública de Auto \$1,000,000.00

**NOTA:** LAS CERTIFICACIONES DE SEGUROS TIENEN QUE INCLUIR EL NÚMERO DE ORDEN Y ESTAR ENDOSADAS A FAVOR DE LA AEE COMO ASEGURADO ADICIONAL.

De tener alguna duda, favor comunicarse a nuestra oficina al (787) 521-3304/3301.

Atentamente,

  
Mario E. Miranda Sánchez  
Supervisor de Compras Principal  
Departamento de Compras



GOBIERNO DE PUERTO RICO  
Corporación del Fondo del Seguro  
del Estado

## Certificación Póliza de Seguro

Número Control: 201940015000008943

A: AUTORIDAD DE ENERGÍA ELÉCTRICA  
Dirección: DIVISIÓN DE TESORERÍA  
SAN JUAN PR -0000

Certificamos que el patrono: HEAVY EQUIPMENT SPECIALISTS INC, con póliza 1314000415 cumple con los siguientes requisitos para la obtención de la cubierta para sus obreros o empleados, en caso de ocurrir un accidente del trabajo.

1. Rindió su declaración de la nómina en: 7/19/2018
2. Su póliza cubre los siguientes riesgos: 8389 - 347 TALLE REP VEHICULO MOTOR

3. Pagó las primas establecidas por el Administrador en:

Semestre	Fecha de vencimiento	Fecha de pago
1	<u>9/20/2018</u> Mes Día Año	<u>9/20/2018</u> Mes Día Año
2	<u>1/22/2019</u> Mes Día Año	<u>                    </u> Mes Día Año

4. La póliza cubre la (s) siguiente (es) localidad (es):

CAMBALACHE  
ARECIBO PR

5. Observaciones:

Certificación sujeta al pago de las cuotas impuestas en las fechas establecidas por el Administrador en la Notificación de Cobro.

PO 81742 POR \$30,000.00 PARA REPARACIÓN DE EQUIPOS HIDRAULICOS.

6. Esta certificación es válida hasta el: 30-Jun-19

Irsa Rodríguez Gerena

Firma del Oficial de Seguros

26-Sep-18

Fecha

\*Advertencia: Esta Certificación NO es válida si contiene alteraciones.  
Si necesita validar la información contenida en este documento favor  
llamar al 1-844-PATRONO (1-844-728-7666) O 1-844-POLIZAS (1-844-765-



# CERTIFICATE OF LIABILITY INSURANCE

Date (MM/DD/YY)  
10/01/2018

**Producer**  
JOE D FONTANEZ MARRERO - 2247  
TRIPLE-S INSURANCE AGENCY  
P.O. BOX 360838  
SAN JUAN PR 00936-0838

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY  
AND CONFERS NO RIGHT UPON THE CERTIFICATE HOLDER. THIS  
CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE  
COVERAGE AFFORDED BY THE POLICIES BELOW.

## COMPANIES AFFORDING COVERAGE

Company A **TRIPLE-S PROPIEDAD**  
Company B  
Company C  
Company D

**Insured**

HEAVY EQUIPMENT SPECIALISTS INC  
URB VILLAS DE CANDELERO 113

HUMACAO PR 00791

### COVERAGE

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Co LTR	Type of Insurance	Policy Number	Policy Effective Date (MM/DD/YY)	Policy Expiration Date (MM/DD/YY)	Limits	
A	General Liability	CP-81088956	09/20/2018	09/20/2019	General Aggregate	\$ 1,000,000
	<input checked="" type="checkbox"/> Commercial General Liability				Products-Comp/OP Agg	\$ 1,000,000
	<input type="checkbox"/> Claims Made <input checked="" type="checkbox"/> Occur				Personal & Adv Injury	\$ 1,000,000
	<input type="checkbox"/> Owner's & Contractor's Prot				Each Occurrence	\$ 1,000,000
					Fire Damage (Any one Fire)	\$ 100,000
					Med Exp (Any one person)	\$ 5,000
A	Automobile Liability	CA-46095030	09/20/2018	09/20/2019	Combined Single Limit	\$ 1,000,000
	<input type="checkbox"/> Any Auto <input type="checkbox"/> Hired Autos				Bodily Injury (Per Person)	\$
	<input type="checkbox"/> All Owned Autos				Bodily Injury (Per Accident)	\$
	<input checked="" type="checkbox"/> Scheduled Autos				Property Damage Deductible	\$
	<input type="checkbox"/> Non-Owned Autos					
	Garage Liability				Auto Only - EA. Accident	\$
	<input type="checkbox"/> Any Auto				Other than Auto Only	\$
					Each Accident	\$
					Aggregate	\$
	Excess liability				Each Occurrence	\$
	<input type="checkbox"/> Umbrella Form				Aggregate	\$
	<input type="checkbox"/> Other Than Umbrella Form				Retained Limit	\$
A	Worker's Compensation and Employer's Liability	CP-81088956	09/20/2018	09/20/2019	WC Statutory L	Other
	The Proprietor/ Partners/Executive <input type="checkbox"/> INCL				El Each Accident	\$ 1,000,000
	Officers Are: <input type="checkbox"/> EXCL				El Disease - Policy Limit	\$ 1,000,000
					El Disease - EA Employee	\$ 1,000,000
	Other					\$

UC  
\$- 3 2018

### Description of Operations/Location/Vehicles/Special Items

PROYECTO: CONTRATO A REQUERIMIENTO PARA EL SERVICIO DE REPARACION EQUIPOS HIDRAULICOS. CAMBALACHE.  
ORDEN NUMERO: 81742 CANTIDAD TOTAL: \$30,000

### CERTIFICATE HOLDER

ADDITIONAL INSURED:  
AUTORIDAD DE ENERGIA ELECTRICA DE  
PUERTO RICO - ESTADO LIBRE ASOCIADO DE  
PR  
PO BOX 364267  
SAN JUAN PR 00926

### CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES

AUTHORIZED REPRESENTATIVE

*Walter Jimenez*

ID :marilug



# Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00079742  
Release :  
Executed: 12/14/2017  
Printed : 12/14/2017  
Page : 1

Mail Invoice To:

Vendor:

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

LA AIR CONDITIONING SERVICES MC  
PO BOX 867  
COROZAL PR 00783

Please Direct Inquiries to:

YADIRA LUGO

Y-LUGO@AEEPR.COM

Title: PROCUREMENT SUPV

Phone: (787) 521-3235

Fax :

Ext:

Work Location:

JEFE CENTRAL CAMBALCHE

CENTRAL CAMBALACHE

CARR. NUM.2 INT. 681

BO. ISLOTE, SECTOR PASAJE

ARECIBO PR 00612

Title: COMPRA, INSTALACIÓN Y REPARACIÓN ACONDICIONADORES DE AIRE

Total Value : \$48,300.00 USD

\*\* NOT TO EXCEED \*\*

Pricing Method: FIXED

Contract Type : SERVICES

Start Date: 12/14/2017

Project :

End Date :

Vendor Authorized Signature

Printed Name/Title

Date Signed

Phone

Authorized Signature

YADIRA LUGO CORDERO

Supervisor de Compras

Date Signed

Phone

Terms and Conditions - Text at End

Fac	Standard	Rev S/P Text	Title
	PH000001	004 S Y	EQUAL OPPORTUNITY
	PH000002	005 S Y	COMPLIANCE WITH LAWS.



## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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### Terms and Conditions - Text at End

Fac	Standard	Rev	S/P	Text	Title
	PH000004	005	S	Y	INFRINGEMENT
	PH000006	016	S	Y	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000031	009	S	Y	CONFIDENTIALITY
	PH000033	009	S	Y	FORCE MAJEURE
	PH000037	007	S	Y	TERMINOS PARA RETENCION EN EL ORIGEN
	PH000038	005	S	Y	NONWAIVER.
	PH000040	007	S	Y	RELATIONSHIP OF THE PARTIES.
	PH000057	005	S	Y	TERMINATION
	PH000080	002	S	Y	QUALITY STANDARDS AND WARRANTIES 2
	PH000082	002	S	Y	ANTI-KICKBACK

### Scope of Work

SE ADJUDICA ORDEN DE SERVICIO DE EMERGENCIA DE ACUERDO A NUESTRAS ESPECIFICACIONES, TÉRMINOS Y CONDICIONES SOLICITADOS Y ACEPTADOS POR LA COMPAÑÍA EN EL RFP MR-0341, REQ. NÚM.: MR-AR-GN-0341 Y SEGÚN DISPOSICIONES DE LA ORDEN EJECUTIVA NÚM. OE-2017-053 DEL 28 DE SEPTIEMBRE DE 2017.

TÍTULO: COMPRA, INSTALACIÓN Y REPARACIÓN DE ACONDICIONADORES DE AIRE, CENTRAL CAMBALACHE

NÚM. EMERGENCIA ASIGNADO: MR-AR-GN-0341

#### ALCANCE DE TRABAJO:

1. CEMS - UNIDAD 1 - SUMINISTRO E INSTALACIÓN DE ASPAS
2. MOD. BB - UNIDAD 1 - SUMINISTRO E INSTALACIÓN TRANSFORMADOR, CONTACTOR, FUSE
3. EDIF. ADM. - UNIDAD 1 - SUMINISTRO E INSTALACIÓN CONDENSADORA 15 TONS.
4. EDIF. ADM. - UNIDAD 3 - SUMINISTRO E INSTALACIÓN PAQ 5 TONS.
5. MOD. DD - UNIDAD 3 - SUMINISTRO E INSTALACIÓN PAQ 5 TONS.
6. MOD. AA - UNIDAD 3 - SUMINISTRO E INSTALACIÓN FAN MOTOR
7. MOD. AA - UNIDAD 2 - SUMINISTRO E INSTALACIÓN UNIDAD 10 TONS.
8. MOD. AA - UNIDAD 1 - SERVICIO REPARACIÓN FUGA Y CARGA DE REFRIGERANTE
9. OFIC. SUPERVISOR 4 - SUMINISTRO E INSTALACIÓN UNIDAD 18,000 BTU
10. CASETA GUARDIA - REPARACIÓN UNIDAD / CAMBIO DE BOARD
11. EDIF. PRINCIPAL - SUMINISTRO E INSTALACIÓN 2EA. CONDENSADORAS 18,000 BTU





Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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12. SWITCH GEAR - SUMINSTRO E INSTALACIÓN UNIDAD

INSTRUCCIONES:

1. EL CONTRATISTA TIENE QUE DESGLOZAR EN SU FACTURA ENTRE LO QUE ES LABOR Y MATERIALES, PARA LA APLICACIÓN DE LA APORTACIÓN ESPECIAL DE 1.5 % BAJO LA LEY NUM. 48-2013. DE NO DESGLOZAR EL PRECIO SE APLICARÁ LA APORTACIÓN A LA TOTALIDAD FACTURADA.

2. LOS TRABAJOS SE REGIRÁN POR LOS CÓDIGOS CORRESPONDIENTES EN LA INDUSTRIA.

3. EL CONTRATISTA PROVEERÁ Y MANTENDRÁ DURANTE LA VIGENCIA DEL CONTRATO, UN CERTIFICADO EN ORIGINAL FIRMADO POR UN REPRESENTANTE AUTORIZADO DE UNA COMPAÑÍA EN PUERTO RICO QUE DESCRIBA LA CUBIERTA DE LOS SIGUIENTES SEGUROS:

- A. CORPORACIÓN DEL FONDO DEL SEGURO DEL ESTADO
- B. SEGURO DE RESPONSABILIDAD PÚBLICA GENERAL - CON UNA CUBIERTA MÍNIMA DE \$1,000,000.00 POR OCURRENCIA Y AGREGADO
- C. SEGURO DE RESPONSABILIDAD PÚBLICA DE AUTOMOVIL - CON UNA CUBIERTA MÍNIMA DE \$1,000,000.00 - LIMITE SENCILLO COMBINADO
- D. SEGURO DE RESPONSABILIDAD PATRONAL - CON UNA CUBIERTA MÍNIMA DE \$1,000,000.00 POR EMPLEADO Y POR ACCIDENTE

PERSONA CONTACTO AEE  
LORENA TORRES SANCHEZ  
QUÍMICO SUPERVISOR  
TELÉFONO: 787.521.6274 / 6277

SUPLIDOR: LA AIR CONDITIONING  
TELÉFONO: 787.802.3968

COMPRADORA AEE  
YADIRA L. LUGO CORDERO  
SUPERVISORA DE COMPRAS  
TELÉFONO: 787.521.3235  
EMAIL: Y-LUGO@AEEPR.COM

Terms and Conditions - Text

PH000001 004 EQUAL OPPORTUNITY  
EQUAL OPPORTUNITY.



## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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

PH000002 005 COMPLIANCE WITH LAWS.  
COMPLIANCE WITH LAWS.

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

PH000004 005 INFRINGEMENT  
INFRINGEMENT.

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

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

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





## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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

-----  
LOCAL AND FEDERAL TAXES CLAUSE

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

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

PH000007      004    APPLICABLE LAW  
APPLICABLE LAW.

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

PH000011      006    CHANGES TO ORDER.  
CHANGES TO ORDER.

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

PH000031      009    CONFIDENTIALITY



## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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### CONFIDENTIALITY.

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

PH000033 009 FORCE MAJEURE  
FORCE MAJEURE.

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

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

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

20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL POFESIONAL FUERA UN INDIVIDUO NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.

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





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PUERTO RICO ELECTRIC POWER AUTHORITY

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PARTIDAS SUJETAS A RETENCIÓN Y EVITAR DESCUENTOS INDEBIDOS.

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

PH000038 005 NONWAIVER.  
NONWAIVER.

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

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

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

PH000057 005 TERMINATION  
TERMINATION.

Buyer may, at its option, cancel any unfulfilled Order, in which event Buyer's only obligation shall be to pay for Materials shipped or Work Product or Services performed prior to the receipt cancellation; provided, however, that if this Order covers Materials manufactured to Buyer's specifications, upon receipt of notice of cancellation, Seller shall stop all performance except as otherwise directed by Buyer, and if Seller is not in breach of this Order, Buyer shall pay Seller's actual, direct, unavoidable and reasonable costs resulting from such termination, not to



## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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exceed the total price of the Materials, Work Product or Services stated in this Order. Upon such payment, title to any Materials or Work Product, including uncompleted Materials or Work Product, shall pass to Buyer. In the event of default by Seller in the performance of any obligation hereunder, including time of delivery, or in the event it becomes apparent that delivery cannot be accomplished within the time specified, Buyer may, at its option, cancel this Order entirely, without penalty or liability (except for Materials received and accepted.) All provisions necessarily requiring survival beyond any termination of this Order, including, but not limited to, those relating to audit, choice of law, confidentiality, indemnity, title and warranty shall survive any such termination.

### PH000080 002 QUALITY STANDARDS AND WARRANTIES 2

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

### PH000082 002 ANTI-KICKBACK

Seller represents that no unrecited consideration, kickbacks, fees, payments, gifts, entertainment, or things of value were given to or requested by any Buyer employee as an inducement to enter into or continue this Order, and that Seller further agrees to immediately report any such request, demand, or occurrence relating to any Buyer employee or this Order to: Puerto Rico Electric Power Authority, Material Management Division Head Office, P.O. Box 3670151, San Juan, Puerto Rico 00936-0151;





## Contract

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Telephone: 787-521-3268, or 787-521-3310. Seller shall adhere to Buyer's Expected Ethical Conduct Standards as defined in PREPA's Code of Ethic or Leyes de Ética which is available at:

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

\* \* \* End of Contract \* \* \*





## PURCHASE ORDER

**Mail Invoice To:**

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

Purchase Order : 00079125  
Revision :  
Release :  
Printed : 10/08/2017  
Page : 1

**Please Direct Inquiries to:**

ANGELICA ROSARIO DAVILA  
AROSARIO16128@AEEPR.COM  
Title: PROCUREMENT SUPV G3  
Phone: 787-521-3034

**Vendor:**

MALNAT ASOCIADOS  
PO BOX 3084  
CATANO PR 00963

**DRAFT ONLY \*\* STATUS PENDING \*\***

Payment Terms	%	Days	Net	30 Days
ERS N				Reference Contract

**Instructions:** ORDEN DE EMERGENCIA POR HURACÁN MARIA

SOLICITUD DE EMERGENCIA: MR-AR-GN-0340

SOLICITANTE: LORENA TORRES  
TELÉFONO: (787) 521-6277/ 6274  
CENTRAL CAMBALACHE- ARECIBO

SE ADJUDICA ORDEN DE EMERGENCIA  
ADELANTADA SEGÚN LOS TÉRMINOS Y  
CONDICIONES DE LA AUTORIDAD, Y SEGÚN  
PROPUESTA DE LA COMPAÑÍA MALNAT &  
ASOCIADOS

DESCRIPCIÓN DE LO SOLICITADO:  
SERVICIO DE REPARACIÓN DE VERJAS DEL  
PATIO DE INTERRUPTORES DE LA CENTRAL  
CAMBALACHE LA CUAL FUE DESTRUÍDA POR EL  
HURACÁN MARÍA

SUPLIDOR: MALNAT & ASOCIADOS  
CONTACTO: RICARDO HERNÁNDEZ  
TELÉFONO: 787-630-7940



# PURCHASE ORDER

**Mail Invoice To:**

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

**Purchase Order : 00079125****Revision :****Release :****Printed : 10/08/2017****Page : 2****COMPRADOR:**

ANGELICA ROSARIO DÁVILA  
SUPERVISOR DE COMPRAS  
TELÉFONO: 787.521.3034  
AROSARIO16128@AEEPR.COM

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

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

Angelica Rosario Dávila  
Supervisora de Compras

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

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

PH000002 005 COMPLIANCE WITH LAWS.





## PURCHASE ORDER

**Mail Invoice To:**

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

**Purchase Order :** 00079125**Revision :****Release :****Printed :** 10/08/2017**Page :** 3**COMPLIANCE WITH LAWS.**

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

PH000004      005 INFRINGEMENT  
INFRINGEMENT.

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

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

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



## PURCHASE ORDER

**Mail Invoice To:**

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

**Purchase Order : 00079125****Revision :****Release :****Printed : 10/08/2017****Page : 4**

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

-----  
**LOCAL AND FEDERAL TAXES CLAUSE**

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

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

PH000007      004 APPLICABLE LAW  
APPLICABLE LAW.

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

PH000011      006 CHANGES TO ORDER.  
CHANGES TO ORDER.

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





## PURCHASE ORDER

**Mail Invoice To:**

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

**Purchase Order :** 00079125

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**Release :**

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herein shall excuse Seller from proceeding with a change directed by Buyer prior to negotiation of any adjustment. Notwithstanding the foregoing, mutually agreeable adjustments for any changes under this Order may be made by a written Order revision from one party which is confirmed in writing by the other party.

PH000031      009 CONFIDENTIALITY  
CONFIDENTIALITY.

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

PH000033      009 FORCE MAJEURE  
FORCE MAJEURE.

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

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

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



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20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL POFESIONAL FUERA UN INDIVIDUQ NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.

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

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

PH000038      005 NONWAIVER.  
NONWAIVER.

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

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

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





## PURCHASE ORDER

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

PH000057      005 TERMINATION  
TERMINATION.

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

PH000082      002 ANTI-KICKBACK

Seller represents that no unrecited consideration, kickbacks, fees, payments, gifts, entertainment, or things of value were given to or requested by any Buyer employee as an inducement to enter into or continue this Order, and that Seller further agrees to immediately report any such request, demand, or occurrence relating to any Buyer



## PURCHASE ORDER

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

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employee or this Order to: Puerto Rico Electric Power Authority,  
Material Management Division Head Office, P.O. Box 3670151, San Juan,  
Puerto Rico 00936-0151; Telephone: 787-521-3268, or 787-521-3310.  
Seller shall adhere to Buyer's Expected Ethical Conduct Standards as  
defined in PREPA's Code of Ethic or Leyes de Ética which is available  
at:  
[http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/suministros.  
asp](http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/suministros.asp)

**End of Purchase Order**

**AUTORIDAD DE ENERGIA ELECTRICA  
DIVISION DE SUMINISTROS  
ORDEN DE EMERGENCIA HURACAN MARIA**

NOMBRE SOLICITANTE: Lorena Torres

DIRECTORADO: Generación

DISTRITO: Central Cambalache

AREA/OFICINA: Oficina Ambiental

PERSONA CONTACTO: 521-6277 6274 Lorena Torres

**INFORMACIÓN GENERAL**

INFORMACIÓN DEL SOLICITANTE: Lorena Torres

NUMERO DE REFERENCIA: **MR-AR-GN-0340**

NUMERO DE ORDEN:

LUGAR DE ENTREGA:

FECHA DE ENTREGA:

DESCRIPCIÓN DEL PRODUCTO O SERVICIO:

Reparación de Verjas de Central Cambalache y área del patio del Interruptores  
SwitchYard

Tercera parte de las verjas en el piso, señalamiento del Coast Guard

Posible suplidor Malnat y Asociados, HACIENDO TRABAJOS EN LA TÉCNICA

COMPRADOR:

NOMBRE PERSONA QUE REGISTRO LA INFORMACIÓN (COE): Angélica Rosario

FECHA ENTRADA DE DATOS: 10/8/2017

HORA ENTRADA DE DATOS: 12:46pm

79125





## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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Mail Invoice To:

Vendor:

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

MALNAT ASOCIADOS  
PO BOX 3084  
CATANO PR 00963

Please Direct Inquiries to:  
ANGELICA ROSARIO DAVILA  
AROSARIO16128@AEEPR.COM

Title: PROCUREMENT SUPV G3  
Phone: 787-521-3034

Ext:

Fax :

Work Location:  
JEFE CENTRAL CAMBALACHE  
CENTRAL CAMBALACHE  
CARR. NUM.2 INT. 681  
BO. ISLOTE, SECTOR PASAJE  
ARECIBO PR 00612

Title: REPARACIÓN AREAS CENTRAL CAMBALACHE- HURACAN MARIA

Total Value : \$1.00 USD  
Pricing Method: TIME AND MATERIAL

Contract Type : SERVICES  
Project :

Start Date: 10/13/2017  
End Date :

Vendor Authorized Signature

*Jesus R. Maldonado Presidente*

Printed Name/Title

10/13/17 (787) 630-7940

Date Signed

Phone

Authorized Signature

*Angelica Rosario Dávila*  
Angélica Rosario Dávila- Supervisora de Compras

Printed Name/Title

13 octubre 2017 787-521-3034

Date Signed

Phone

Terms and Conditions - Text at End

Fac	Standard	Rev S/P Text	Title
	PH000001	004 S Y	EQUAL OPPORTUNITY
	PH000002	005 S Y	COMPLIANCE WITH LAWS.



## Contract

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### Terms and Conditions - Text at End

Fac	Standard	Rev	S/P	Text	Title
	PH000004	005	S	Y	INFRINGEMENT
	PH000006	016	S	Y	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000031	009	S	Y	CONFIDENTIALITY
	PH000033	009	S	Y	FORCE MAJEURE
	PH000037	007	S	Y	TERMINOS PARA RETENCION EN EL ORIGEN
	PH000038	005	S	Y	NONWAIVER.
	PH000040	007	S	Y	RELATIONSHIP OF THE PARTIES.
	PH000057	005	S	Y	TERMINATION
	PH000082	002	S	Y	ANTI-KICKBACK

### Scope of Work

SE ADJUDICA ORDEN ADELANTADA DE SERVICIO DE EMERGENCIA DE ACUERDO A NUESTRAS ESPECIFICACIONES, TÉRMINOS Y CONDICIONES SOLICITADOS Y ACEPTADOS POR LA COMPAÑÍA MALNAT & ASOCIADOS.

TÍTULO: SERVICIO DE PROVEER TODO MATERIAL, EQUIPO, HERRAMIENTA, MANO DE OBRA, SUPERVISIÓN Y TODO LO NECESARIO PARA LA REPARACIÓN DE VARIAS ÁREAS DE LA CENTRAL CAMBALACHE AFECTADAS POR EL PASO DEL HURACÁN MARÍA.

SOLICITUD DE EMERGENCIA: MR-AR-GN-0345

#### ALCANCE DE TRABAJO:

1. REPARACIÓN DE ESTRUCTURAS, TECHOS, DRENAJES, AISLACIÓN Y EXTRACTORES.
2. REPARACIÓN PUERTA DE ENTRADA PRINCIPAL
3. REPARACIÓN PUERTA DEL COMEDOR DE MECÁNICA
4. REPARACIÓN ROLLING DOOR COMEDOR MECÁNICA
5. REPARACIÓN DE CRISTAL DE LAS CONSOLAS Y DEL COMEDOR MECÁNICA

#### INSTRUCCIONES:

1. EL CONTRATISTA TIENE QUE DESGLOZAR EN SU FACTURA ENTRE LO QUE ES LABOR Y MATERIALES, PARA LA APLICACIÓN DE LA APORTACIÓN ESPECIAL DE 1.5 % BAJO LA LEY NUM. 48-2013. DE NO DESGLOZAR EL PRECIO SE APLICARÁ LA APORTACIÓN A LA TOTALIDAD FACTURADA.
2. LOS TRABAJOS SE REGISTRAN POR LOS CÓDIGOS CORRESPONDIENTES EN LA INDUSTRIA.



## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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3. LOS COSTOS FACTURADOS NO EXCEDERÁN LAS TARIFAS ESTABLECIDAS POR FEMA.

PERSONA CONTACTO AEE  
LORENA TORRES  
SUPERVISOR  
TELÉFONO: 787.521.6274

SUPLIDOR: MALNAT & ASOCIADOS  
TELÉFONO: 787.630.7978

COMPRADORA AEE  
ANGELICA ROSARIO DÁVILA  
SUPERVISORA DE COMPRAS  
TELÉFONO: 787.521.3034  
EMAIL: AROSARIO16128@AEEPR.COM

### *Terms and Conditions - Text*

PH000001 004 EQUAL OPPORTUNITY  
EQUAL OPPORTUNITY.

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

PH000002 005 COMPLIANCE WITH LAWS.  
COMPLIANCE WITH LAWS.

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

PH000004 005 INFRINGEMENT  
INFRINGEMENT.





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PUERTO RICO ELECTRIC POWER AUTHORITY

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

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

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

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

-----  
LOCAL AND FEDERAL TAXES CLAUSE

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

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

PH000007 004 APPLICABLE LAW  
APPLICABLE LAW.



## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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

PH000011 006 CHANGES TO ORDER.  
CHANGES TO ORDER.

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

PH000031 009 CONFIDENTIALITY  
CONFIDENTIALITY.

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

PH000033 009 FORCE MAJEURE  
FORCE MAJEURE.

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





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PUERTO RICO ELECTRIC POWER AUTHORITY

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

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

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20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL POFESIONAL FUERA UN INDIVIDUO NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.

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PH000038 005 NONWAIVER.  
NONWAIVER.

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





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

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TERMINATION.

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PH000082 002 ANTI-KICKBACK  
Seller represents that no unrecited consideration, kickbacks, fees, payments, gifts, entertainment, or things of value were given to or requested by any Buyer employee as an inducement to enter into or continue this Order, and that Seller further agrees to immediately report any such



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request, demand, or occurrence relating to any Buyer employee or this  
Order to: Puerto Rico Electric Power Authority, Material Management  
Division Head Office, P.O. Box 3670151, San Juan, Puerto Rico 00936-0151;  
Telephone: 787-521-3268, or 787-521-3310. Seller shall adhere to Buyer's  
Expected Ethical Conduct Standards as defined in PREPA's Code of Ethic or  
Leyes de Ética which is available at:  
<http://www.prepa.com/spanish.asp?url=http://www.aeepr.com/suministros.asp>

\* \* \* End of Contract \* \* \*



**AUTORIDAD DE ENERGIA ELECTRICA  
DIVISION DE SUMINISTROS  
ORDEN DE EMERGENCIA HURACAN MARIA**

NOMBRE SOLICITANTE: Lorena Torres

DIRECTORADO: Generación

DISTRITO: Central Camalache

AREA/OFICINA:

PERSONA CONTACTO:

**INFORMACIÓN GENERAL**

INFORMACIÓN DEL SOLICITANTE:

NUMERO DE REFERENCIA: **MR-AR-GN-0345**

NUMERO DE ORDEN:

LUGAR DE ENTREGA:

FECHA DE ENTREGA:

DESCRIPCIÓN DEL PRODUCTO O SERVICIO:

- 1) Reparación estructura, techos, drenajes y aislación y extractores**
- 2) Puerta entrada principal / Comedor de mecánica**
- 3) Rolling door / comedor mecánica**
- 4) Cristal de consolas y comedor mecánica**

Cuenta:

COMPRADOR: Angélica Rosario

NOMBRE PERSONA QUE REGISTRO LA INFORMACIÓN (COE): Lilliam Cruz

FECHA ENTRADA DE DATOS: 10/08/2017

HORA ENTRADA DE DATOS: 9:11AM

Suplidor:



# Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

Contract: 00079881  
Release :  
Executed: 03/13/2018  
Printed : 03/13/2018  
Page : 1

Mail Invoice To:

Vendor:

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

MAINAT ASOCIADOS  
PO BOX 3084  
CATANO PR 00963

Please Direct Inquiries to:

YADIRA LUGO

Y-LUGO@AEEPR.COM

Title: PROCUREMENT SUPV

Phone: (787) 521-3235

Fax :

Ext:

Work Location:

JEFE CENTRAL CAMBALCHE

CENTRAL CAMBALACHE

CARR. NUM.2 INT. 681

BO. ISLOTE, SECTOR PASAJE

ARECIBO PR 00612

Title: REEMPLAZO DE TAPAS CABLE TRAY, CENTRAL CAMBALACHE

Total Value : \$60,000.00 USD

\*\* NOT TO EXCEED \*\*

Pricing Method: FIXED

Contract Type : SERVICES

Start Date: 12/19/2017

Project :

End Date :

Vendor Authorized Signature

Printed Name/Title

Date Signed

Phone

Authorized Signature

YADIRA LUGO CORDERO

Supervisor de Compras

03.13.2018

Date Signed

Phone

Terms and Conditions - Text at End

Fac	Standard	Rev S/P Text	Title
	PH000001	004 S Y	EQUAL OPPORTUNITY
	PH000002	005 S Y	COMPLIANCE WITH LAWS.



## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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### Terms and Conditions - Text at End

Fac	Standard	Rev	S/P	Text	Title
	PH000004	005	S	Y	INFRINGEMENT
	PH000006	016	S	Y	CLAUSULAS PARA PAGOS DE IMPUESTOS ESTATALES Y FEDE
	PH000007	004	S	Y	APPLICABLE LAW
	PH000011	006	S	Y	CHANGES TO ORDER.
	PH000031	009	S	Y	CONFIDENTIALITY
	PH000033	009	S	Y	FORCE MAJEURE
	PH000037	007	S	Y	TERMINOS PARA RETENCION EN EL ORIGEN
	PH000038	005	S	Y	NONWAIVER.
	PH000040	007	S	Y	RELATIONSHIP OF THE PARTIES.
	PH000057	005	S	Y	TERMINATION
	PH000080	002	S	Y	QUALITY STANDARDS AND WARRANTIES 2
	PH000082	002	S	Y	ANTI-KICKBACK

### Contract Amendments

Amendment: 001  
Title : ENMIENDA NÚM. I (03.13.2018 YLC)  
Amended Start :  
Amendment Value: \$10,000.00  
Pricing Method :  
Execution Date : 03/13/2018  
Amended End Date:

### Amendment Scope

ENMIENDA NÚM. I (03.13.2018 YLC)

SE EXPIDE ESTA ENMIENDA PARA AUMENTAR EL TOPE DEL CONTRATO POR \$10,000 ADICIONALES PARA CUBRIR DAÑOS ADICIONALES NO CONTEMPLADOS EN LA ORDEN ORIGINAL. TODO SEGÚN SOLICITADO POR LORENA TORRES, QUÍMICO Y APROBADO POR HERMINIO ARROYO, JEFE CENTRAL CAMBALACHE.

TODOS LOS DEMÁS TÉRMINOS Y CONDICIONES DEL CONTRATO ORIGINAL, PERMANECEN INALTERADOS.

SE ADJUDICA ORDEN DE SERVICIO DE EMERGENCIA DE ACUERDO A NUESTRAS ESPECIFICACIONES, TÉRMINOS Y CONDICIONES SOLICITADOS Y ACEPTADOS POR LA COMPAÑÍA MALNAT & ASOCIADOS.

TÍTULO: REEMPLAZO DE TAPAS CABLE TRAY, CENTRAL CAMBALACHE

NÚM. DE EMERGENCIA: MR-AR-GN-0368





## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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### ALCANCE DE TRABAJO Y DESGLOSE DE COSTOS:

- A. 9 IN. - \$15.53
- B. 12 IN. - \$20.59
- C. 15 IN. - \$29.70
- D. 21 IN. - \$29.70
- E. 27 IN. - \$56.70

REEMPLAZO DE TAPAS CABLE TRAY, CURVAS Y "T", PESTAÑA DE 2 IN. A CADA LADO.

### INSTRUCCIONES:

1. LOS LICITADORES TIENEN QUE DESGLOZAR SU PRECIO ENTRE LO QUE ES LABOR Y MATERIALES, PARA LA APLICACIÓN DE LA APORTACIÓN ESPECIAL DE 1.5 % BAJO LA LEY NUM. 48-2013. DE NO DESGLOZAR EL PRECIO SE APLICARÁ LA APORTACIÓN A LA TOTALIDAD COTIZADA.

2. LOS TRABAJOS SE REGISTRARÁN POR LOS CÓDIGOS CORRESPONDIENTES EN LA INDUSTRIA.

3. EL CONTRATISTA PROVEERÁ Y MANTENDRÁ DURANTE LA VIGENCIA DEL CONTRATO, UN CERTIFICADO EN ORIGINAL FIRMADO POR UN REPRESENTANTE AUTORIZADO DE UNA COMPAÑÍA EN PUERTO RICO QUE DESCRIBA LA CUBIERTA DE LOS SIGUIENTES SEGUROS:

- A. CORPORACIÓN DEL FONDO DEL SEGURO DEL ESTADO
- B. SEGURO DE RESPONSABILIDAD PÚBLICA GENERAL - CON UNA CUBIERTA MÍNIMA DE \$1,000,000.00 POR OCURRENCIA Y AGREGADO
- C. SEGURO DE RESPONSABILIDAD PÚBLICA DE AUTOMOVIL - CON UNA CUBIERTA MÍNIMA DE \$1,000,000.00 - LIMITE SENCILLO COMBINADO
- D. SEGURO DE RESPONSABILIDAD PATRONAL - CON UNA CUBIERTA MÍNIMA DE \$1,000,000.00 POR EMPLEADO Y POR ACCIDENTE

PERSONA CONTACTO AEE  
LORENA TORRES MIRANDA  
QUÍMICO CENTRAL CAMBALACHE  
TELÉFONO: 787.521.6274

SUPLIDOR: MALNAT & ASOCIADOS  
TELÉFONO: 787.630.7940

COMPRADORA AEE  
YADIRA L. LUGO CORDERO  
SUPERVISORA DE COMPRAS  
TELÉFONO: 787.521.3235  
EMAIL: YADIRA.LUGO@AEEPR.COM





## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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### Terms and Conditions - Text

PH000001 004 EQUAL OPPORTUNITY  
EQUAL OPPORTUNITY.

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

PH000002 005 COMPLIANCE WITH LAWS.  
COMPLIANCE WITH LAWS.

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

PH000004 005 INFRINGEMENT  
INFRINGEMENT.

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



## Contract

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replacement or modification shall in any way amend or relieve Seller of its warranties and guarantees set forth in this Order.

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

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

\* LAS FACTURAS TIENEN QUE DETALLAR EL CONCEPTO DE LA COMPRA O SERVICIO.  
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### LOCAL AND FEDERAL TAXES CLAUSE

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

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

PH000007 004 APPLICABLE LAW  
APPLICABLE LAW.

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

PH000011 006 CHANGES TO ORDER.  
CHANGES TO ORDER.

No modifications, changes or substitutions of Materials, Services or Work Product or extra charges of any kind or change in or cancellation of or waiver of or exception to any of the terms or conditions of this Order will be recognized unless authorized by Buyer in writing. Buyer may direct, in writing, changes, including additions to or deletions from the quantities of Materials, Work Product or Services originally ordered, or in the specifications or drawings. Unless otherwise agreed to by the





## Contract

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parties, if any such change causes an increase or decrease in the cost of, or the time required for performance hereunder, an equitable adjustment shall be made in the price and/or delivery schedule. Any claims for adjustment shall be asserted by Seller no later than thirty (30) days from the date of Seller's receipt of notice of such change. Nothing contained herein shall excuse Seller from proceeding with a change directed by Buyer prior to negotiation of any adjustment. Notwithstanding the foregoing, mutually agreeable adjustments for any changes under this Order may be made by a written Order revision from one party which is confirmed in writing by the other party.

PH000031 009 CONFIDENTIALITY  
CONFIDENTIALITY.

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

PH000033 009 FORCE MAJEURE  
FORCE MAJEURE.

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

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

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

20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE



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CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.

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

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

PH000038 005 NONWAIVER.  
NONWAIVER.

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

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

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





## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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PH000057 005 TERMINATION  
TERMINATION.

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

PH000080 002 QUALITY STANDARDS AND WARRANTIES 2  
Rejected Material and Services or Work Product may be returned or re-performed at Seller's expense. The making or failure to make any inspection, approval, payment or acceptance of the Materials, Work Product or Services shall in no way impair Buyer's right to reject or revoke acceptance of non-conforming Materials, Work Product or Services or to avail itself of any other remedies to which Buyer may be entitled, notwithstanding Buyer's knowledge, the substantiality, or the ease of discovery of any non-conformity. If any time prior to one (1) year from the date of completion of any Services, or the earlier of one (1) year from the date of installation or eighteen(18) months from receipt of any Materials or Work Product if the Materials, Work Product or Services, or any part thereof, do not conform to these warranties or the specifications, Seller shall promptly correct such nonconformity to the satisfaction of Buyer at Seller's sole expense; failing which, Buyer may proceed to make corrections or accomplish Seller's work by the most expeditious means available, and the costs of cover or correction shall be for Seller's account. Seller's liability hereunder shall extend to all damages proximately caused by the breach of any of the foregoing warranties, including incidental damages such as removal, inspection, costs of return, warehousing and reinstallation. These warranties are in



## Contract

PUERTO RICO ELECTRIC POWER AUTHORITY

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addition to, and shall not be construed as restricting or limiting any warranties of Seller, express or implied, or which are provided by law or exist by operation of law.

PH000082 002 ANTI-KICKBACK

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

\* \* \* End of Contract \* \* \*





## Yadira L Lugo Cordero

---

**From:** JOEL D. PANTOJAS CARABALLO  
**Sent:** Friday, March 02, 2018 8:45 AM  
**To:** Yadira L Lugo Cordero  
**Cc:** Lorena Torres Miranda; Herminio Arroyo Perez  
**Subject:** FW: MR-AR-GN-0368 - Reemplazo de cable trays - Orden 79881

Saludos Yadira.

Favor proceder conforme al pedido de Lorena.

Este caso fue consultado conmigo.

Buen Día.

*Joel D. Pantojas Caraballo*

Gerente Departamento de Compras, Interino  
División de Suministros  
Operación e Infraestructura  
Tel. 787-521-3310  
Fax 787-521-3172  
Email: [jpantojas13525@acepr.com](mailto:jpantojas13525@acepr.com)

---

**From:** Lorena Torres Miranda  
**Sent:** Friday, March 02, 2018 8:43 AM  
**To:** JOEL D. PANTOJAS CARABALLO  
**Cc:** Herminio Arroyo Perez; Yadira L Lugo Cordero  
**Subject:** MR-AR-GN-0368 - Reemplazo de cable trays - Orden 79881

Saludos,

Luego de comenzar los trabajos de instalación y reemplazo de las tapas de "cable trays", descubrimos daños adicionales extensos. Por este medio solicitamos se aumente la cuantía de la orden de compra por \$10,000.

De tener alguna duda favor de comunicarse con esta servidora.

Atte,

*Lorena Torres Miranda,* **BS, MBA, JD**

Químico Supervisor  
Central Cambalache  
(787)521-6274 (787)521-1482  
E-mail: [LORENA.TORRES@prepa.com](mailto:LORENA.TORRES@prepa.com)

"Así como el éxito de una persona es simplemente el reflejo de su actitud, grado de motivación y responsabilidad con sus metas y sueños, el éxito de una empresa es el resultado de la disposición de trabajo, grado de iniciativa y compromiso de las personas que la componen"

Visite nuestra página en la Internet en: [www.aeepr.com](http://www.aeepr.com)

Visit our Web Page at [www.prepa.com](http://www.prepa.com)



Salve un árbol. No imprima este e-mail a menos que sea verdaderamente necesario.





# PURCHASE ORDER

**Mail Invoice To:**

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

Purchase Order : 00079165  
Revision :  
Release :  
Printed : 10/23/2017  
Page : 1

**Please Direct Inquiries to:**

YADIRA LUGO  
Y-LUGO@AEEPR.COM  
Title: PROCUREMENT SUPV  
Phone: (787) 521-3235

**Vendor:**

EDUARDO FIRPI  
PHOENIX INDUSTRIAL SALES INC  
PO BOX 363336  
SAN JUAN PR 00936-3336

**CONFIRMING ORDER ONLY**

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

Instructions: ENMIENDA NÚM. I (10.23.2017 YLC)  
SE EXPIDE ENMIENDA PARA INCLUIR EN LA  
ORDEN DE COMPRA LOS "LOADS LUG" A UN  
COSTO DE \$259.00 EL SET DE 3EA.

ORDEN ADELANTADA DE EMERGENCIA  
HURACÁN MARÍA  
INTERRUPTOR BOMBA TRANSF. COMBUSTIBLE  
CENTRAL CAMBALACHE

PERSONA CONTACTO AEE  
ELISEO MARTÍNEZ  
INGENIERO SUPERVISOR  
TELÉFONO: 787.521.6277 / 6388

DESCRIPCIÓN  
1. 1EA. RECONDITIONED AND TESTED CUTLER  
HAMMER CIRCUIT BREAKER  
MOD. HLD 3600F  
STYLE: 6633C81G06  
TRIP CAT LT3600T  
GARANTÍA: UN (1) AÑO DE GARANTÍA

COSTO: \$3,579.00 (INCLUYE ENMIENDA I)



# PURCHASE ORDER

**Mail Invoice To:**

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

**Purchase Order :** 0001 9165**Revision :****Release :****Printed :** 10/23/2017**Page :** 2**TIEMPO ENTREGA:** CINCO (5) DÍAS**NUM. DE EMERGENCIA ASIGNADO:**

MR-AR-GN-0319

TODO SEGÚN SOLICITADO POR WILFRIDO  
RODRÍGUEZ, JEFE HIDRO GAS Y COORDINADO  
CON ELISEO MARTÍNEZ, INGENIERO  
SUPERVISOR, CENTRAL CAMBALACHE  
(10.10.2017).

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

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

*Yadira L. Cordero*  
YADIRA L. CORDERO  
SUPERVISORA DE COMPRAS

10.23.2017

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

By accepting this Purchase Order, the Seller certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise





## PURCHASE ORDER

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AUTORIDAD DE ENERGIA ELECTRICA  
DIVISION DE TESORERIA  
P.O. BOX 70253  
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prohibited by law and will indemnify Buyer against any claims arising from such unlawful discrimination by Seller.

PH000002      005 COMPLIANCE WITH LAWS.  
COMPLIANCE WITH LAWS.

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

PH000004      005 INFRINGEMENT  
INFRINGEMENT.

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

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

EN CUMPLIMIENTO CON LA SECCIÓN 2906 DEL ARTÍCULO 2, DEL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO, LA AUTORIDAD DE ENERGÍA ELÉCTRICA ESTÁ EXENTA DEL PAGO DEL ARBITRIO GENERAL DEL 6.6%. ADEMÁS, A PARTIR





## PURCHASE ORDER

**Mail Invoice To:**

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

Purchase Order : 0079165  
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Printed : 11/23/2017  
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DEL 15 DE NOVIEMBRE DE 2006, ESTÁ EXENTA DEL PAGO DEL IMPUESTO A LA VENTA Y USOS (IVU) ESTATAL Y MUNICIPAL POR VIRTUD DE LA SECCIÓN 2508 DE LA LEY 117 DEL 4 DE JULIO DE 2006, CONOCIDA COMO LA LEY DE JUSTICIA CONTRIBUTIVA.

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

-----  
LOCAL AND FEDERAL TAXES CLAUSE

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

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

PH000007      004 APPLICABLE LAW  
APPLICABLE LAW.

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

PH000011      006 CHANGES TO ORDER.  
CHANGES TO ORDER.

No modifications, changes or substitutions of Materials, Services or Work Product or extra charges of any kind or change in or cancellation of or waiver of or exception to any of the terms or conditions of this Order will be recognized unless authorized by Buyer in writing. Buyer may direct, in writing, changes, including additions to or deletions from the quantities of Materials, Work Product or Services originally ordered, or in the specifications or drawings. Unless otherwise agreed to by the parties, if any such change causes an increase or decrease in the cost of, or the time



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Purchase Order : 00079165  
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required for performance hereunder, an equitable adjustment shall be made in the price and/or delivery schedule. Any claims for adjustment shall be asserted by Seller no later than thirty (30) days from the date of Seller's receipt of notice of such change. Nothing contained herein shall excuse Seller from proceeding with a change directed by Buyer prior to negotiation of any adjustment. Notwithstanding the foregoing, mutually agreeable adjustments for any changes under this Order may be made by a written Order revision from one party which is confirmed in writing by the other party.

PH000031      009 CONFIDENTIALITY  
CONFIDENTIALITY.

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

PH000033      009 FORCE MAJEURE  
FORCE MAJEURE.

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

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

LA AUTORIDAD RETENDRÁ EL EQUIVALENTE AL 7% DE TODO PAGO POR SERVICIOS PRESTADOS QUE SE EFECTÚE BAJO ESTE CONTRATO, DE CONFORMIDAD CON EL





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CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIÓN 1143, SEGÚN ENMENDADA. NO OBSTANTE, SE DISPONE QUE LA RETENCIÓN A EFECTUARSE POR LA AUTORIDAD BAJO LAS DISPOSICIONES DE LA PRESENTE CLÁUSULA PODRÍA AUMENTAR A:

20% EN CASO DE QUE EL PROFESIONAL FUERA UN INDIVIDUO NO RESIDENTE CIUDADANO DE LOS ESTADOS UNIDOS DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994 , SECCION 1147; O UN 29% EN CASO DE QUE EL POFESIONAL FUERA UN INDIVIDUO NO RESIDENTE Y NO CIUDADANO DE LOS ESTADOS UNIDOS, O UNA CORPORACIÓN O SOCIEDAD EXTRANJERA NO DEDICADA A INDUSTRIA O NEGOCIO EN PUERTO RICO, DE CONFORMIDAD CON EL CÓDIGO DE RENTAS INTERNAS DE PUERTO RICO DE 1994, SECCIONES 1147 Y 1150.

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

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

PH000038      005 NONWAIVER.  
NONWAIVER.

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

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



## PURCHASE ORDER

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

PH000057      005 TERMINATION  
TERMINATION.

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

PH000082      002 ANTI-KICKBACK

Seller represents that no unrecited consideration, kickbacks, fees,



## **PURCHASE ORDER**

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**Purchase Order :** 00079165  
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**Printed :** 10/23/2017  
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payments, gifts, entertainment, or things of value were given to or requested by any Buyer employee as an inducement to enter into or continue this Order, and that Seller further agrees to immediately report any such request, demand, or occurrence relating to any Buyer employee or this Order to: Puerto Rico Electric Power Authority, Material Management Division Head Office, P.O. Box 3670151, San Juan, Puerto Rico 00936-0151; Telephone: 787-521-3268, or 787-521-3310. Seller shall adhere to Buyer's Expected Ethical Conduct Standards as defined in PREPA's Code of Ethic or Leyes de Ética which is available at:

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

**End of Purchase Order**



## Yadira L Lugo Cordero

---

**From:** Eduardo Firpi <efirpi@phoenixindustrial.com>  
**Sent:** Monday, October 23, 2017 10:12 AM  
**To:** Yadira L Lugo Cordero; Eliseo Martinez Gonzalez  
**Subject:** Fwd: BREAKER CAMBALACHE

Saludos Yadira,

Nuestro suplidor identifico los "LOADS LUG" según la foto suministrada, necesito saber como proceder puedes usar el precio de \$ 259.00 el set de tres..

Me dejas saber para procesar la orden..

Gracias

----- Forwarded Message -----

**Subject:** BREAKER CAMBALACHE

**Date:** Fri, 20 Oct 2017 08:40:05 -0400

**From:** Eduardo Firpi <efirpi@phoenixindustrial.com>

**To:** Yadira L Lugo Cordero <Y-LUGO@AEEPR.COM>, Eliseo Martinez Gonzalez  
<EMARTINEZ14528@aeep.com>

Saludos Yadira,

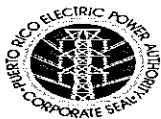
El precio por los "LOAD LUGS" el set de tres \$ 259.00 (TWO HOLES PATTERN SIMILAR A LOS SUMINISTRADOS CON EL "BREAKER")

Estoy esperando una foto de parte de Eliseo para estar seguro que son los correctos..

Gracias

--  
Eduardo Firpi  
[efirpi@phoenixindustrial.com](mailto:efirpi@phoenixindustrial.com)  
Tel. (787) 720-3322  
Fax (787) 720-5960  
[www.phoenixindustrial.com](http://www.phoenixindustrial.com)





# PURCHASE ORDER

**Mail Invoice To:**

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

Purchase Order : 00081394  
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**Please Direct Inquiries to:**

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

**Vendor:**

WDC PUERTO RICO INC  
PO BOX 70217  
SAN JUAN PR 00936-8217

<b>Payment Terms</b>	<b>%</b>	<b>Days</b>	<b>Net</b>	<b>30</b>	<b>Days</b>	<b>Transit Type</b>
ERS N						Carrier Name
	<b>Reference Contract</b>					
		<b>FOB</b>	F.O.B. JOBSITE			<b>FOB Point</b> CENTRAL CAMBALACHE

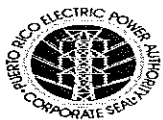
**Primary Ship To:** PREPA  
PREPA  
SAN JUAN

**Instructions:** SE ADJUDICA ESTA ORDEN DE ACUERDO A  
NUESTRAS ESPECIFICACIONES, TERMINOS,  
CONDICIONES Y SU COTIZACION.  
LUGAR ENTREGA CENTRAL CAMBALACHE  
ATT. REINALDO MORALES  
TEL.787-521-6271

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

Line	Quantity	UP	Item Description	Unit Price	Extension
0001	20	KT	Catalog ID: 0000073107 0	\$44.650000	\$893.00

NON-TAX



# PURCHASE ORDER

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

**Purchase Order : 00081394****Revision :****Release :****Printed : 07/24/2018****Page : 2**

**Schedule:**                      **Quantity**                      20                      **Delivery Date** 06/08/2018

**Description:** BALLAST, UNQUALIFIED, NO INFO GIVEN,  
BALLAST KIT 175W, M/HALIDE  
STKNO: NO INFO GIVEN  
VOLT:  
WATT:  
TYPE:

Line	Quantity	UP	Item Description	Unit Price	Extension
------	----------	----	------------------	------------	-----------

0002	4	EA	Catalog ID: 0000079421 0	\$323.000000	\$1,292.00
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NON-TAX

**Schedule:**                      **Quantity**                      4                      **Delivery Date** 06/08/2018

**Description:** FIXTURE, LIGHT, TFA-1000S-TA-480-L/LP,  
FLOODLIGHT 1,000 W HPS 480 V  
STKNO: TFA-1000S-TA-480-L/LP  
TYPE:  
VOLTAGE:  
SIZE:

Line	Quantity	UP	Item Description	Unit Price	Extension
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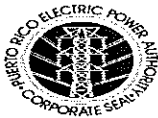
0003	100	EA	Catalog ID: 0000079523 0	\$274.720000	\$27,472.00
------	-----	----	--------------------------	--------------	-------------

NON-TAX

**Schedule:**                      **Quantity**                      100                      **Delivery Date** 06/08/2018

**Description:** FIXTURE, LIGHT, 79523, FLOODLIGHT 250W  
HPS MULTITAP  
STKNO: 79523  
TYPE:  
VOLTAGE:  
SIZE:

Line	Quantity	UP	Item Description	Unit Price	Extension
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SAN JUAN PR 00936-8253

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0004 15 EA Catalog ID: 0000079524 0 \$278.270000 \$4,174.05  
NON-TAX

Schedule: Quantity 15 Delivery Date 06/08/2018

Description: FIXTURE, LIGHT, TFA-400S-TA-TB-L/LP,  
FLOODLIGHT 400W HPS MULTITAP  
STKNO: TFA-400S-TA-TB-L/LP  
TYPE:  
VOLTAGE:  
SIZE:

Line	Quantity	UP	Item Description	Unit Price	Extension
0005	30	EA	Catalog ID: 0000079525 0	\$99.410000	\$2,982.30
NON-TAX					

Schedule: Quantity 30 Delivery Date 06/08/2018

Description: FIXTURE, LIGHT, TWR1-150S-TB-LPI, WALL  
PACK OUTDOOR LIGHT 150W HPS  
STKNO: TWR1-150S-TB-LPI  
TYPE:  
VOLTAGE:  
SIZE:

Line	Quantity	UP	Item Description	Unit Price	Extension
0006	20	EA	Catalog ID: 0000079526 0	\$133.910000	\$2,678.20
NON-TAX					

Schedule: Quantity 20 Delivery Date 06/08/2018

Description: FIXTURE, LIGHT, TWP-150S-TB-LPI, WALL  
PACK OUTDOOR LIGHT 150W HPS HID  
STKNO: TWP-150S-TB-LPI  
TYPE:  
VOLTAGE:  
SIZE:

Purchase Order Total Amount



# PURCHASE ORDER

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SAN JUAN PR 00936-8253

Purchase Order : 00081394

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TOTAL THIS PO:

\$39,491.55

AUTHORIZED SIGNATURE

MARIO MIRANDA SANCHEZ  
Supervisor de Compras Principal

Fac Standard Name Rev Terms and Conditions

PH000001 004 EQUAL OPPORTUNITY

EQUAL OPPORTUNITY.

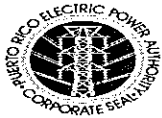
By accepting this Purchase Order, the Seller certifies that it will not discriminate on the basis of race, color, national origin, sex, religion, age, disability, veteran status or in any way otherwise prohibited by law and will indemnify Buyer against any claims arising from such unlawful discrimination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

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

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

PH000007 004 APPLICABLE LAW  
APPLICABLE LAW.

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



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PH000032 009 DELIVERY  
DELIVERY.

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

PH000039 008 PRICE & PAYMENT  
PRICE & PAYMENT.

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

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

PH000056 008 TAXES AND DUTIES  
TAXES AND DUTIES.

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





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Shipping Surcharge fees or other tax required to be imposed on the Materials, Services or Work Product.

**Important:**

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

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

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

**End of Purchase Order**