

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



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

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

**SUBJECT:** Evaluation of PREPA's June 14,  
2022, Request for approval for SOW 8095  
and Request for Confidential Designation  
and Treatment.

**RESOLUTION AND ORDER**

**I. Introduction**

On March 26, 2021, the Energy Bureau issued a Resolution and Order ("March 26 Resolution") through which it ordered the Puerto Rico Electric Power Authority ("PREPA") to submit each specific capital investment project for approval, to avoid potential noncompliance with the Approved Integrated Resource Plan ("IRP") and Modified Action Plan<sup>1,2</sup> The Energy Bureau required PREPA to submit the specific projects to the Energy Bureau for approval at least thirty (30) calendar days before their submittal to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency ("COR3") and the Federal Emergency Management Agency ("FEMA").<sup>3</sup>

On November 15, 2021, PREPA filed before the Energy Bureau a document titled *Motion to Submit Fourth Group of Generation Projects* ("November 15 Motion"). Through the November 15 Motion, PREPA submitted one hundred-four (104) Work descriptions in Attachment A containing a general description of works of conservation, repairs, and retrofitting of its generation units and their auxiliary equipment, including, without limitation, boilers, turbines, rotors, generators, motors, pumps, breakers, and control systems for their generation power plants. The works are to be performed in the following Plants: San Juan Power Plant, Aguirre Power Plant and Combined Cycle, Costa Sur Power Plant, Palo Seco Steam Plant, Hydrogas Turbine Peakers, Cambalache, Mayaguez Gas Turbines, and a list of jobs to be achieved in all the power plants. PREPA has prepared a comprehensive list of repairs works projects of its generation assets and for which PREPA will seek reimbursement under several FEMA programs (*i.e.* Section 428 Public Assistance).

On January 4, 2022, the Energy Bureau issued a Resolution and Order conditionally approving the Projects described in Attachments A to H of the referenced Order pending the submittal by PREPA of the statement of work ("SOW") of each project. To complete the evaluation on the Proposed Generation Projects, the Energy Bureau requested:

1. The status of each unit in the Proposed Generation Projects;
2. If and how the expenditure will help bring the unit back to availability for operation;
3. When the unit would be available for operation if the expenditure was made;
4. The expected duration of availability status of the unit after the expenditure is made, and any other required explanation;
5. Provide an updated snapshot of the status of repairs and expected availability over the next three years for the units at San Juan, Palo Seco, Costa Sur and Aguirre;
6. Provide either the "Draft released to PREPA" of the "10-Year Thermal Generation Retirement, Addition and Conversion Plan" as listed on page 7 of the December 2021

<sup>1</sup> See, *In Re: Review of the Integrated Resources Plan of the Puerto Rico Electric Power Authority*, Case. No. CEPR-AP-2018-0001, Final Resolution and Order, August 24, 2020 ("August 24 Resolution").

<sup>2</sup> See, *In Re: Review of the Puerto Rico Electric Power Authority's 10-Year Infrastructure Plan – December 2020*, Case. No. NEPR-MI-2021-0002, Resolution and Order, March 26, 2021. ("March 26 Resolution").

<sup>3</sup> March 26 Resolution, pp. 14-15. The Energy Bureau determined that this directive equally applies to LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, "LUMA"). See, *In Re: Review of the Puerto Rico Electric Power Authority's 10-Year Infrastructure Plan – December 2020*, Case. No. NEPR-MI-2021-0002, Resolution and Order, June 8, 2021.

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Status Report scheduled for finishing by March 2022 or provide a synopsis of PREPA's current understanding of how planned retirements of the fossil fleet are considered when requesting approval for maintenance and capital investment funding through the instant procedure.

On February 14, 2022, PREPA filed before the Energy Bureau a document titled *Motion to Complete Generation Projects SOWs Submittal And Partial Responses To RFI And Request For Extension Of Time To Submit Additional Responses to RFI* ("February 14 Motion"). Through the February 14 Motion, PREPA submitted Twenty-three (23) initial SOWs (Scope of Works) which are submitted for the review and approval of the Energy Bureau. Of these Generation SOW's, Twenty-two (22) were conditionally approved while one (1) was classified as Deferred Project in the January 4 Order. In the February 4 Motion PREA had intended to file SOW 8095 titled *All Power Plants Hydro-blasting Service for Boilers*, but such SOW 8095 was not included as part of the exhibits. Therefore, the Energy Bureau was not able to evaluate such SOW 8095.

On April 13, 2022, the Energy Bureau issued a Resolution and Order ("April 13 Order"), in which, among others, approved several of the SOW's in the February 14 Motion and ordered PREPA to submit within ten (10) days the documents for SOW 8095 for the Energy Bureau's evaluation.<sup>4</sup>

On June 4, 2022, the Energy Bureau issued a Resolution and Order ("June 4 Resolution") to states that the Energy Bureau has not been able to evaluate SOW 8095, since Attachment A of the February 14 Motion did not include information on SOW 8095.<sup>5</sup> ordered PREPA to submit the documents for SOW 8095. Therefore, the Energy Bureau ordered PREPA to submit the documents for SOW 8095.<sup>6</sup>

On June 14, 2022, PREPA filed before the Energy Bureau a document titled *Motion to Submit SOW 8095 in Compliance with the June 04 Order* ("June 14 Motion"). Through the June 14 Motion, PREPA submitted, as Exhibit A, the documents for SOW 8095 titled *All Power Plants-Hydro-Blasting Service for Boilers*.<sup>7</sup> PREPA argues that the documents doe SOW 8095 includes critical energy infrastructure information ("CEII") in global positioning system data which mustn't be disclosed to the public.<sup>8</sup> PREPA requested that the information identified as CEII remain redacted and be kept as confidential information.<sup>9</sup>

## II. PREPA's Request for Confidential Information Designation and Treatment ("June 14 Motion")

In the June 14 Motion, PREPA requested confidential designation and treatment of Attachment A for certain global positioning system ("GPS") information for the project identified as SOW 8095. PREPA alleged that the SOW in Attachment A of the June 14 Motion contains GPS coordinates of the power plants, which is confidential information in CEII that garners protection from public disclosures pursuant to federal statutes and regulations.<sup>10</sup>

To protect such confidential information, PREPA states it redacted the GPS information from the Generation Projects SOW submitted with the June 14 Motion. PREPA requests the Energy Bureau to determine that the GPS information is CEII and thus, confidential. PREPA also requested the Energy Bureau to maintain the public files with the redaction already

<sup>4</sup> April 13 Order, p. 9.

<sup>5</sup> June 4 Resolution, p. 7.

<sup>6</sup> June 4 Resolution, p. 8.

<sup>7</sup> June 14 Motion, ¶4.

<sup>8</sup> June 14 Motion, ¶5.

<sup>9</sup> June 14 Motion, ¶15.

<sup>10</sup> 6 U.S.C. §§ 671-674; 18 C.F.R. §388.113 (2020).



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provided. PREPA requests the Energy Bureau to grant confidential designation and treatment to the referred GPS information in Attachment A of the June 14 Motion. Table 1 below details the GPS information for which PREPA requested confidential designation and treatment:

**Table 1: PREPA’s Request for Confidential Information Designation and Treatment**

SOW NO.	PROJECT DESCRIPTION	CONFIDENTIAL INFORMATION	LEGAL BASIS
8095	All Power Plants- Hydro-Blasting Service for Boilers	GPS Location Page 10-12	CEII

Act 57-2014<sup>11</sup> establishes that any person having the obligation to submit information to the Energy Bureau, can request privilege or confidential treatment to any information that the party submitting understands deserves such protection.<sup>12</sup> Specifically, Act 57-2014 requires the Energy Bureau to treat as confidential the submitted information provided that “the Energy Bureau, after the appropriate evaluation, believes such information should be protected”.<sup>13</sup> In such case, the Energy Bureau “shall grant such protection **in a manner that least affects the public interest, transparency,** and the rights of the parties involved in the administrative procedure in which the allegedly confidential document is submitted.”<sup>14</sup>

Upon review of PREPA’s arguments and the law, the Energy Bureau **GRANTS** confidential designation and treatment to the GPS information described in Table 1 above, for the reasons stated by PREPA, pursuant to Article 6.15 of Act 57-2014. The Energy Bureau **TAKES NOTICE** that PREPA submitted a redacted (*i.e.*, public) version of the documents described in Table 1.

**III. Evaluation of PREPA’s June 14 Motion**

As part of the June 14 Motion, PREPA described the SOW 8095 titled *All Power Plants Hydro-blasting Service for Boilers*. The documents included the Exhibit A with the description and work to be performed in all the Plants, Cost Estimate based on historical prices, and the contract requisition with special conditions and technical specifications. Also included is the critical energy infrastructure information (CEII) that must not be disclosed to the public because it includes global positioning system data.

Upon review of the SOW 8095 filed in the June 14 Motion, the Energy Bureau **DETERMINES** it is necessary to maintain and improve the reliability of the systems in the related PREPA Plants. The SOW presented includes description and justification for the maintenance of the Boilers of all the Plants, the type of project and the corresponding Codes and Standards impacted. Therefore, the Energy Bureau **APPROVES** the SOW 8095 described in **Attachment A** of this Resolution and Order. The Energy Bureau notes this approval represents **\$950,000.00** based on the proposed works presented by PREPA through the June 14 Motion.

**IV. Conclusion**

The Energy Bureau **APPROVES** the project included as part of the **Attachment A** to this Resolution and Order, which shall be presented to FEMA and COR3 to finalize its approval process to be awarded as a federally funded project. The Energy Bureau approved this

<sup>11</sup> Puerto Rico Energy Transformation and RELIEF Act, as amended (“Act 57-2014”).

<sup>12</sup> Section 6.15 of Act 57-2014.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.* (Emphasis added).

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project based upon the information provided by PREPA and that the project shall be paid for with federal funds. Should the scope of the project or the funding change PREPA **SHALL** immediately seek the Energy Bureau's approval of such changes.

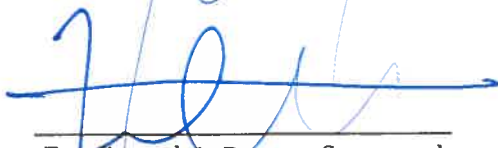
The Energy Bureau **ORDERS** PREPA to (i) submit to the Energy Bureau copy of the approval by COR3 and/or FEMA of the projects in Attachment A, which shall contain the costs obligated for each project, **within ten (10) days of receipt of such approval**; (ii) provide the Energy Bureau the actual contracted cost to perform the approved in the Attachment A, **within ten (10) days from the execution of the contract**; and (iii) inform the Energy Bureau once the project is completed.

The directive instated in the March 26 Resolution related to the submission of projects before the Energy Bureau at least thirty (30) calendar days before submitting such projects to FEMA and/or COR3 remains unaltered.

Be it notified and published.

  
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Edison Avilés Deliz  
Chairman

  
\_\_\_\_\_  
Lillian Mateo Santos  
Associate Commissioner

  
\_\_\_\_\_  
Ferdinand A. Ramos Soegaard  
Associate Commissioner

  
\_\_\_\_\_  
Sylvia B. Ugarte Araujo  
Associate Commissioner

## CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on July 11, 2022. I also certify that on July 11, 2022 a copy of this Resolution and Order was notified by electronic mail to the following: [laura.rozas@us.dlapiper.com](mailto:laura.rozas@us.dlapiper.com); [margarita.mercado@us.dlapiper.com](mailto:margarita.mercado@us.dlapiper.com); [kbolanos@diazvaz.law](mailto:kbolanos@diazvaz.law); [mvazquez@diazvaz.law](mailto:mvazquez@diazvaz.law); [yahaira.delarosa@us.dlapiper.com](mailto:yahaira.delarosa@us.dlapiper.com); [adrian.jimenez@us.dlapiper.com](mailto:adrian.jimenez@us.dlapiper.com). I also certify that today, July 11, 2022, 2022, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau.

For the record, I sign this in San Juan, Puerto Rico, today July 11, 2022.

  
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Wanda I. Cordero Morales  
Interim Clerk





**Attachment A**  
**Works Approved by the Energy Bureau for the Power Plants Permanent Repairs**

SOW NO.	Facility	Project Name	Proposed Scope of Work	Original Estimate	Presented Estimate
8095	All Power Plants	Hydro-blasting Service for Boilers	Pressure washing and neutralization service of the internal and external components of the boiler and other areas of the PREPA's power plant's.	\$ 950,000.00	\$ 950,000.00

