

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

NEPR

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IN RE: ENMIENDAS A CONTRATO DE
COMPRAVENTA DE ENERGÍA:
PROYECTO NO-OPERACIONAL
(XZERTA-TEC SOLAR I, LLC)

CASO NÚM.: NEPR-AP-2021-0002

ASUNTO: Moción para Presentar Informe
Mensual de Progreso Mensual
Correspondiente a Junio 2022 y Reiterando
Solicitud de Remedio

**MOCIÓN PARA PRESENTAR INFORME DE PROGRESO MENSUAL
CORRESPONDIENTE A JUNIO 2022 Y REITERANDO SOLICITUD DE REMEDIO**

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

1. El 11 de mayo de 2021, el Negociado de Energía de la Junta Reglamentadora de Servicio Público (el “Negociado” o “Negociado de Energía”) notificó *Resolución Final y Orden* (la “Resolución Final”) mediante la cual aprobó, sujeto a algunas condiciones, la *Petición de Aprobación de Enmienda a Contrato de Compraventa de Energía Renovable con Xzerta-Tec Solar I, LLC* (la “Petición”) radicada por la Autoridad el 17 de marzo de 2021 para que el Negociado le impartiera su aprobación al Acuerdo Enmendado¹.

2. La Resolución Final ordena a que, entre otras cosas, la Autoridad y Xzerta Tec Solar I, LLC (“Xzerta”) presenten ante el Negociado de Energía informes de progreso mensual sobre el estatus del Proyecto. Además, el 9 de febrero de 2022, el Negociado emitió una *Resolución y Orden* (“Orden del 9 de febrero”) mediante la cual, en particular, ordenó que la Autoridad y

¹ *Amended and Restated Renewable Power Purchase and Operating Agreement between the Puerto Rico Electric Power Authority and Xzerta Tec Solar LLC* con fecha del 4 de junio de 2021 (2013-P00042E) (el “Acuerdo Enmendado”).

Xzerta debían presentar los informes de progreso mensual firmados por oficiales de cada entidad e incluir en el mismo la fecha de su preparación.

3. En cumplimiento con la Resolución Final y el deber de presentar reportes mensuales, la Autoridad presenta a este Honorable Negociado el *Project Monthly Status Report* correspondiente a junio 2022 y con fecha del 5 de junio de 2022 (“Informe de Junio 2022”).² Exhibit A.

4. En el Informe de Junio 2022, Xzerta expresa en el inciso 2 (E) sobre el pago del estudio de interconexión a realizarse por LUMA que este asunto está en progreso. Sin embargo, incluye en sus comentarios que la Autoridad debe proveer una carta de autorización. Cabe destacar que el 20 de mayo de 2022 la Autoridad envió la carta formato a Xzerta no obstante, la misma no ha sido firmada ni remitida a la Autoridad para elevarlo a la atención del Director Ejecutivo.

5. La Autoridad, además, se reitera en la Solicitud de Acumulación³ realizada en las mociones previamente radicadas mediante la cual la Autoridad solicita al Negociado de Energía que ordene a LUMA a nombrar un representante que comparezca en el caso de epígrafe y participe de la revisión y certificación de los informes de progreso.

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

² El Informe de Progreso Mensual se presenta según Xzerta lo prepara y remite a la Autoridad.

³ “Solicitud de Acumulación” según definido en *Respuesta a Orden para Mostrar Causa y Para Presentar Informes Mensuales de Progreso Correspondientes a Octubre 2021 y Enero 2022* radicada el 14 de febrero de 2022; *Moción para Presentar Informe Mensual de Progreso Mensual Correspondiente al Mes de Abril 2022 y Solicitud Para Acumulación de Parte* radicada el 12 de mayo de 2022; *Moción para Presentar Informe Mensual de Progreso Mensual Correspondiente a Mayo 2022 y Reiterando Solicitud de Remedio* radicada el 14 de junio de 2022.

RESPETUOSAMENTE SOMETIDO.

En San Juan, Puerto Rico, este 14 de julio de 2022.

f/ Joannely Marrero Cruz
Joannely Marrero Cruz
jmarrero@diazvaz.law
TSPR 20014

Katiuska Bolaños Lugo
kbolanos@diazvaz.law
TSPR 18888

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

Exhibit A



VIA EMAIL: kfutch@KSLAW.com

July 5, 2022

Mr. Josué Colón
Executive Director
Puerto Rico Electric Power Authority

RE: Xzerta-Tec Solar I, LLC -June 2022 Progress Report

Dear Executive Director:

Herewith, we are providing our progress and status reports made with the variety of project activities required to complete our design, products procurement and implementation. Constant communication between our team and both Luma and PREPA personnel has continued at different levels to resolve matters regarding equipment approvals, legal matters, and technical requirements. As in previous months, the following table depicts the project activities with their respective status and progression for the proper implementation of this project.

#	Activity	Description	Status	Comments
1	Design			
	A. Power Design Drawings	Preliminary design updated based on latest discussions, calculations and other items to comply with MTRs. Latest Drawing submitted to LUMA / PREPA. A second revision is expected to be released by early July which will include more details of the communication interface and products including models and layouts. Waiting for final details from vendors. Also, waiting from LUMA to incorporate any necessary changes.	Submitted	Under LUMA / PREPA review and approval

	B. Products	Several Request for Proposals have been written and sent to different providers such Mitsubishi, Hitachi, Eaton, Siemens, Ingecon and AKN. Follow up meetings have been necessary to clarify questions from providers.	Several proposals received. Clarification have been requested	Pending updates based on latest RFIs responses
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Disclosure: This report is provided for informational purposes only. By accepting this information, the recipient agrees that it will, and it will cause its employees, agents, and representatives, to treat the information as such. Any reference made herein to terms or conditions should be subject to the language of the power purchase and operation agreement. The Information supersedes all information contained in any prior report or presentation for this project and is subject to change.

		Vendors have requested several clarifications and details of technical specifications. RFIs was submitted to LUMA to request more clarification. See status of RFIs below		
	C. SCADA list	Our team is still working on the development of the preliminary SCADA Point list for the alarms and events that are desired to be monitored by the SCADA Headend for the perusal by PREPA and LUMA engineering team. It was requested from LUMA / PREPA to provide a sample of the current list used to use it as a baseline. Identifying all IO points are necessary to complete the design. It will be important to determine if additional protections, alarms or other necessary points are required to be included in our design.	In progress	Under development while waiting for requested information
	D. Other Design	Calculations to determine dimensions, proper distribution of equipment including foundations were completed based on the design. The geometric and layouts are currently under development. Once all products have been ordered then the foundations drawings and other equipment layouts will be completed	In Progress	



TEC SOLAR I, LLC

	E. Dynamic Study	Based on the preliminary design, Energinx has completed the dynamic study, but it is under review by the design team since it was identified minor issues that are getting resolved with the different manufacturers. Delivery of the study has been delayed and the new target is June 30.	Completed	
	F. Winds Conditions requirement	LUMA/PREPA winds conditions requirement of 160 MPH has become an issue. Several vendors have responded that they will be unable to meet this requirement. Currently, products meet between 120 MPH to 142 MPH. It was requested an exemption	In Progress	Waiting on LUMA to respond
	G. Transmission line design and	It was requested the usage of a PREPA ROW or Easement near to the	In Progress	A proposal for the engineer

	Easement Usage / Permit	lands of the project to minimize the environmental impacts and shorten the path to the Hatillo POI substation via an RFI. LUMA responded that it will be required to be address through their department of Land management and development instead.		and structural design of the new line was received and is being commissioned.
2	Commercial			
	A. Certifications	filed with the Puerto Rico Energy Bureau for Xzerta Tec's Electric Service Company Certification as required under Rule 8701	In Progress	Under the evaluation of the PREB. No further action required for now.
	B. Loans	A term sheet was received.	In Progress	Modifications received. Discussions are undergoing regarding collateral and guarantees.

	C. Leases	Executed the extensions on the leases of the properties that required such extensions. Xzerta continue to maintain land control over all the proposed parcels, plus some additional lots have been added and surveyed to guarantee the necessary space for the increased capacity.	Completed	
	D. Mars CPA Report	Commissioned a report from our accounting firm Mars CPA regarding the possible incentives available to the project under the Puerto Rico Incentives Code, to review the prior decree granted to the project by the Department of Economic Development and to establish the final structure regarding the tax equity of the project.	Completed	
	E. LUMA request for payment for interconnection Study	LUMA transmitted a request for payment letter regarding of the study and evaluation of the project interconnection. Total amount to be paid as per LUMA letter is \$341k	In Progress	PREPA to provide final and executed side letter authorizing.
2	Contracting			
	A. Land Survey and Topographic Survey	Geomatic Solutions and Surveying, PSC	Completed	
	B. Plant Design	CSA Architects and Engineers, LLP	In progress	

	C. Archaeological Study	Fernando Alvarado	In progress	
	D. Environmental Site Assessment Phase I-A Phase I-B	Tycroes group	Completed Delivered	Phase B received, and under review.
	E. Habitat Study	Alejandro Cubiña	Completed	
	F. Foundation Design	Carlos Rivera, P.E.	Completed	
	G. Anchoring	RBI Solar and / or Tale Sun	In progress	
	H. Electrical Design	Miguel Ortiz, P.E. Lisaidyn Perez Enerzinx	Completed	

	I. SCADA Systems Design	Lisaidyn Perez	In-Progress	Modifications under review
	J. Modeling and Simulations	Energinx	Completed	
3	Construction			
	A. Permits	Completed the following: <ol style="list-style-type: none"> 1. Location 2. Environmental 3. Endorsements by <ul style="list-style-type: none"> - Highway and Transportation Authority - Puerto Rico Energy Bureau - Cultural Institute - Puerto Rico Telecommunications Bureau - Puerto Rico Aqueduct and Sewer Authority - Department of Agriculture Pending <ol style="list-style-type: none"> 1. NWP-14 2. NPDES General Permit 3. Permits Management Office (OGPe) - Calculations for construction square footage were completed to finalize permit. Permit will be updated with the new data. 4. PREPA ROW / Easement Permit of usage 	In progress	
	B. Land Acquisition		Completed	
	C. Contractors	No major changes, waiting for final drawings with Luma comments to be completed	In progress	General Contractor (EPC), subcontractors
				and consultants' agreements are in process.
4	Procurement			

	A. Material List	The material list is currently being generated. There are still some questions regarding the scope of work related to the final interconnection with Hatillo POI managed by LUMA. A delineation will be necessary to determine how this final interconnection will be completed	In progress	Refer to Material List Annex 1 found below for further information
	B. Orders	Waiting for final proposals from vendors.	In progress	lead time of equipment could impact final implementation of project
5	Implementation			
	A. Installation	Contractors and definition scope of works	Not started	Waiting for Changes to Design Suggested by Luma
	B. Testing	Master Plan to be generated after approval of the design. Once master plan is submitted and approved, our team will submit the test procedures	Not started	

The following table shows the status of RFIs:

#	Number	Description	Status	Comments
1	RFI-001	Transformer specs and interconnection requirements (Y-D, D-Y or D-D)	Closed	1 item remained open. Transformer should be YG to Delta on the side of interconnection of 115 KV with PREPA with an internal shift of 30
2	RFI-002	Transformer specs (Not responded under RFI-001)	Closed	Specifications received. Issues with Wind Conditions requirement. It will be followed through RFI-006
3	RFI-003	SCADA Communication Protocol and Sample of Points	Open	
4	RFI-004	Amount of demand Energy of PR	Closed	Calculated at 0.0003% or 0.001 %

5	RFI-005	Request of Permit to usage of PREPAs ROW	Closed	Item is still open. LUMA requested to submit request for usage of easement via another form since it is managed by Land Management Dept ¹
6	RFI-006	Request for exemption to Wind Conditions requirements	Open	Vendors unable to meet criteria of 160 MPH

We continue committed to providing PREPA and the people of Puerto Rico clean and efficient energy and to assist in achieving the targets established in the Integrated Resources Plan (IRP) and the Public Policy aimed by the Government of Puerto Rico.

Sincerely,



Fernando Molini-Vizcarrondo

xc: francisco.santos@prepa.com
Mcadavid@kslaw.com
kbolanos@diazvaz.law

Revised by PREPA representative:



F.Santos (Jul 13, 2022 18:16 EDT)

Francisco Santos, ESQ
Manager Business Strategy and
Operations PREPA
July 13, 2022

Attachments

¹ Xzerta Tec has secure a private easement to connect the project. However, since the beginning we have discussed with PREPA the possibility of using their ROW as it is shorter and represents less impact to the environment. Now discussions are being handled with LUMA.

EQUIPMENTS AND MATERIALS-MATERIALS STATUS LIST

Equipment	Company/Brand	Status	Comments
PV Modules	RFPs Submitted to vendors	Proposal Received from Talesun and Trina Solar.	Negotiating Commitment and waiting for other proposals
Inverters	RFPs Submitted to vendors	Proposal Received from Ingeteam and waiting from other vendors such as SMA, Schneider	Reviewing Contract Terms with Ingeteam and waiting for other proposals
Battery Equipment	RFPs Submitted to vendors	Waiting from other vendors	
Racks and Anchoring	RBI Solar	Awaiting Revised Proposal	Received and made comments, waiting response.
Main Switchgear	RFPs Submitted to vendors	Waiting from other vendors such as Eaton, AKN, Siemens, Mitsubishi and Hitachi	Response received from Eaton and Mitsubishi waiting for Hitachi and Siemens
GIS/GCB	RFPs Submitted to vendors	Questions received from vendors and answered	Waiting for the quotes
Transformer 34.5/115K	RFPs Submitted to vendors	Waiting for Vendors Response	
Meters	RFPs Submitted to vendors	Waiting for vendors response	
Foundations	Pending Completion of Modifications		
Posts	TBD		
Cables & Miscellaneous	Caribe Sales	Final Proposal Received	Under evaluation