

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

IN RE: REQUEST FOR CERTIFICATION AS
ELECTRIC SERVICE PROVIDER,
NFE POWER PR, LLC

CASE NO.: NEPR-CT-2022-0004

SUBJECT: Microgrid Registration Form

RESOLUTION

I. Introduction and System Description

On July 12, 2022, the Energy Bureau of the Puerto Rico Public Service Regulatory Board (“Energy Bureau”) issued a Resolution (“July 12 Resolution”) where it certified NFE Power PR, LLC (“NFE”) as an *Electric Service Company*¹, subject to the following conditions:

- (i) NFE must file a Register Application according to Section 5.03 of Regulation 9028²; or must file an explanation of why its cogeneration system is not subject to the requirements of Regulation 9028.

On July 26, 2022, NFE responded to the July 12 Resolution and filed the following documents:

- (1) A Letter from PWC (on behalf NFE) to the Energy Bureau, July 26, 2022 (“July 26 Letter”)
- (2) *Microgrid Registration Form* (Form NEPR-D01)
- (3) A non-titled Attachment
- (4) *Boehringer Ingelheim [...], Site Map*
- (5) *Boehringer, Conceptual System Design*
- (6) *New Fortress Energy, Boehringer CHP LNG Plant, 100% Construction Documents* (Construction Plans, Electrical Plans and Others)
- (7) Copy of the *Power Purchase Agreement – Model Contract*
- (8) Billing Example
- (9) Paycheck No. 1019498578 for \$100 dollars.

NFE is a Limited Liability Company (for-profit), organized under the laws of Puerto Rico. NFE proposes to provide a generation service based on fossil fuels or renewable energy with an aggregate capacity of one hundred (100) MW or less.³ According to NFE, it will provide a generation service based on natural gas with an aggregate capacity of 2.8 MW.⁴ NFE signed a contract with only one customer: Boehringer Ingelheim Animal Health (“BIAH”).⁵ The BIAH project is in the Arecibo region, Barceloneta PR.⁶ The BIAH project is described as a cogeneration project based on natural gas that will be connected in parallel to the network

¹ In accordance with Regulation 8701, *Amendment to Regulation No. 8618, on Certifications, Annual Fees and Operational Plans of Electric Service Providers in Puerto Rico*, February 17, 2016, as amended by Regulation 9182, *Amendment to Regulation No. 8701, on Certifications, Annual Fees and Operational Plans of Electric Service Providers in Puerto Rico*, June 24, 2020.

² *Regulation on Microgrid Development* May 18, 2018.

³ Request for Certification Electric Power Companies, *In re: Request for Certification as Electric Power Provider, NFE Power PR LLC.*, Case No. NEPR-CT-2022-0004, February 25, 2022, (Form NEPR-B04), p. 1.

⁴ *Id.*

⁵ *Id.*, Annexes – Documents included with the Operational Report form, p. 1.

⁶ *Id.*



of the Puerto Rico Electric Power Authority ("PREPA").⁷ The proposed system will not export electrical energy to the PREPA/LUMA system.⁸ NFE is a wholly owned subsidiary of NFEnergia LLC, which is an indirect wholly owned subsidiary of New Fortress Energy Inc.⁹

II. Regulations and Analysis

Act 57-2014¹⁰ requires that every Electric Service Company¹¹ obtain a certification¹² to provide services in Puerto Rico, besides presenting specific information in accordance with the requirements established by the Energy Bureau. Regulation 8701¹³ establishes the requirements that any electric service company must comply with to provide electric services in Puerto Rico

Regulation 9028 establishes the requirements for register, development, and operation of Microgrids that bring services to the *end-use customers*.

A. Register Application for Microgrids

In response to the July 12 Resolution, NFE filed a Register Application (Form NEPR-D01). NFE provided the minimum data required by Section 5.03 of Regulation 9028:

- (i) Microgrid Owner contact information
- (ii) Microgrid Operator's name and contact information
- (iii) Operational Structure
- (iv) Location and Site Map
- (v) Number of Costumers served
- (vi) Type of Generation
- (vii) System Resources
- (viii) Equipment Supplier
- (ix) Design Certification
- (x) Model Contract
- (xi) Sample Bill
- (xii) Proposed Rate Structure

NFE **complied** with requirements of Regulation 9028, Section 5.03.

NFE paid for the Microgrid Registration fees, with paycheck no. 1019498578 for \$100 dollars. NFE **complied** with requirements of Regulation 9028, Section 6.04.

⁷ Request for Certification Electric Power Companies, *In re: Request for Certification as Electric Power Provider, NFE Power PR LLC.*, Case No. NEPR-CT-2022-0004, February 25, 2022, LUMA's *Evaluation Report of the Boehringer-Ingelheim (BI) Cogeneration Project* letter dated September 27th 2021, p. 1

⁸ *Id.*, p. 11

⁹ Request for Certification Electric Power Companies, *In re: Request for Certification as Electric Power Provider, NFE Power PR LLC.*, Case No. NEPR-CT-2022-0004, February 25, 2022, *NFE Power PR LLC – Form NEPR-B04 – CPA Statement Cover Letter*, p. 1.

¹⁰ Known as the *Transformation and Energy RELIEF Act of Puerto Rico*, as amended ("Act 57-2014")

¹¹ Section 1.3(l) of Act 57-2014 defines the term "Energy Company" or "Electric Service Company" as "any person or entity, natural or legal, energy cooperative, dedicated to offering generation services, transmission and distribution, billing, energy wheeling, network services ("grid services"), energy storage, resale of electricity, as well as any other electrical service as defined by the Bureau. The Electric Power Authority or its successor, as well as any Contractor under an Alliance Contract or Sales Contract granted in relation to PREPA Transactions entered into by virtue of Act 120-2018, shall be considered as Electric Service Companies for the purposes of this Law".

¹² See Section 6.13 of Act 57-2104. Also see, Section 1.3(h) of Act 57-2014, which define "Certified" as "any electric service company which have been evaluated and authorized by the Energy Bureau."

¹³ *Amendment to Regulation No. 8618, on Certifications, Annual Fees and Operational Plans of Electric Service Providers in Puerto Rico*, February 17, 2016, as amended by Regulation 9182, *Amendment to Regulation No. 8701, on Certifications, Annual Fees and Operational Plans of Electric Service Providers in Puerto Rico*, June 24, 2020



According to Part B of Form NEPR-D01, the company Power Engineering Consultants LLC will be the Operator of the Microgrid. The contact information¹⁴ of Power Engineering Consultants LLC is:

Mailing Address:	2108 Onfala St., Urb. Reparto Apolo Guaynabo, PR 00969
E-mail:	emmanuel.ortiz@pecllcp.com
Phone No.	+1-787-409-4881

Section 5.02 of Regulation 9028 establishes:

In addition to complying with the requirements set forth in this Regulation, any Microgrid Operator considered an Electric Service Company, as such term is defined in Section 1.08(A)(5) of Regulation 8701, shall comply with any and all applicable requirements set forth in Regulation 8701.

For the purposes of this Regulation, a Microgrid Operator overseeing the operation of a Third-Party Microgrid, or a group of Third-Party Microgrids, with an aggregate generating capacity of one megawatt (1 MW) or more will be considered an Electric Service Company. In such cases, the Microgrid Operator shall comply with the requirements of Section 3.07(A)(1)(a), 3.07(A)(2) and Article IV of Regulation 8701. (Emphasis supplied)

After a review of the Administrative Record, there is no evidence Power Engineering Consultants had filed a Request for Certification as an Electric Service Company. Power Engineering Consultants **must file** a Request for Certification as an Electrical Service Company and must comply with the requirements of Section 3.07(A)(1)(a), 3.07(A)(2) and Article IV of Regulation 8701.

III. Request Evaluation

Upon the review of all the documents filed by NFE as part of the Microgrid Register Application (Form NEPR-D01), the Energy Bureau **DETERMINES** NFE complied with the requirements of July 12 Resolution and **CERTIFIES** NFE as an Electric Service Company.

The Energy Bureau also **GRANTS** the designation of NFE as a Registered Microgrid, subject to compliance with Section 6.3 of Regulation 9028.

At this moment the Energy Bureau cannot authorize the operation of the Microgrid because NFE has not shown compliance with Section 5.02 of Regulation 9028. The Energy Bureau **GRANTS** NFE additional time to contact the Microgrid Operator and to comply with Section 5.02 of Regulation 9028. Microgrid Operator **must file** a Request for Certification as an Electric Service Company according to the requirements of Section 5.02 of Regulation 9028.

Be it notified and published.



¹⁴ Request for Certification Electric Power Companies, *In re: Request for Certification as Electric Power Provider, NFE Power PR LLC*, Case No. NEPR-CT-2022-0004, February 25, 2022, Form NEPR-D01, Part B.



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 August 15, 2022. I also certify that on August 16, 2022 a copy of this Resolution was notified by electronic mail to the following: jfr@sbgblaw.com, cguinta@newfortressenergy.com, tax@newfortressenergy.com, and I have proceeded with the filing of the Resolution issued by the Puerto Rico Energy Bureau.

For the record, I sign this in San Juan, Puerto Rico, today August 16, 2022.



Sonia Seda Gaztambide
Clerk

