

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

**NEPR**  
**Received:**  
**Oct 20, 2022**  
**6:20 PM**

**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 de  
Progreso Mensual Correspondiente a  
Septiembre de 2022 y Para Reiterar Solicitud  
de Acumulación

**MOCIÓN PARA PRESENTAR INFORME DE PROGRESO**  
**MENSUAL CORRESPONDIENTE A SEPTIEMBRE DE 2022**  
**Y PARA REITERAR SOLICITUD DE ACUMULACIÓN**

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 Enmendado<sup>1</sup>.

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

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<sup>1</sup> *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 documento titulado *Xzerta-Tec Solar I, LLC September Progress Report* correspondiente a Septiembre 2022 (“Informe de Progreso”).<sup>2</sup> Exhibit A.

4. La Autoridad, además, se reitera en la Solicitud de Acumulación<sup>3</sup> realizada en las mociones previamente radicadas mediante la cual la Autoridad solicita al Negociado de Energía que ordene a LUMA Energy LLC (“LUMA”) a nombrar un representante que comparezca en el caso de epígrafe y participe de la revisión y certificación de los informes de progreso. Esto ya que el Informe de Progreso contiene referencias a reuniones e información compartida con LUMA, de lo cual la Autoridad no puede certificar.

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

RESPETUOSAMENTE SOMETIDO.

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

<sup>3</sup> “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 a 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 *Solicitud De Remedio* radicada el 14 de junio de 2022; *Moción para Presentar Informe Mensual de Progreso Mensual Correspondiente a Junio 2022* y *Reiterando Solicitud De Remedio* radicada el 14 de junio de 2022; *Moción para Presentar Informe Mensual de Progreso Mensual Correspondiente a Julio 2022* y *Reiterando Solicitud De Remedio* radicada el 11 de agosto de 2022; *Moción para Presentar Informe Mensual de Progreso Mensual Correspondiente a Agosto 2022* y *Reiterando Solicitud De Remedio* radicada el 11 de septiembre de 2022.

En San Juan, Puerto Rico, este 20 de octubre de 2022.

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Exhibit A



October 4, 2022

Mr. Josué Colón  
 Executive Director  
 Puerto Rico Electric Power Authority

**RE: Xzerta-Tec Solar I, LLC September 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. We have continued sustaining meetings with both PREPA and LUMA to revise the engineering and technical aspects of the project. This month we particularly submitted to LUMA the Relays Study that was requested. We continue to work with LUMA on Request for Information (RFI's) and the equipment's approvals. The following table as usual identify the project activities, and other issues with their respective status and progression for the proper implementation of this project.

| # | Activity                   | Description   | Status    | Comments                               |
|---|----------------------------|---|-----------|--|
| 1 | <b>Design</b>              |   |           |  |
|   | A. Power Design - Drawings | Latest Drawings were submitted to LUMA / PREPA on August 9. We held a meeting on Sept 27 to discuss LUMA's comments, which have not been officially released, regarding the design. Transformer and protective relays proposed products used for the interconnection are still pending for approval.<br>This revision of the preliminary design in combination with the Dynamic Study and the relays study should support LUMA to complete their evaluation and provide any necessary changes for the integration of the interconnection. | Submitted | Under LUMA / PREPA review and approval |

**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.

|  |  |   |  |  |
|--|--|---|--|--|
|  |  | Final design, which will include transmission lines design, conduits, racks, grounding and bonding, will be delivered upon receiving the final interconnection study and preliminary design of the Hatillo Substation modifications from LUMA   |  |  |
|  | B. Energy Yield Assessment and Relay Study | Relay Study was submitted on Sept 21, 2022, and the Energy Yield Assessment was submitted for approval on Sept 30 <sup>th</sup> , 2022.   | Waiting for approval   | Under LUMA / PREPA review and approval   |
|  | C. Products                                | <p>Proposed products and Models for the interconnection have been submitted to LUMA for approval.</p> <p>Documentation for the inverters, batteries and MV switchgear were transmitted for approval, but LUMA stated that they will not approve any Products related to the solar farm but only the interconnection. LUMA stated it will be handled as for information only.</p> <p>LUMA have approved with comments the proposed gas circuit breaker from the manufacturer, Hitachi. Step up Transformer and protective relays are still pending for approval.</p> | Waiting for approval of the Step Up 3 P Main Transformer and protective relays | We are waiting for the approval of the 3P Main Transformer, protective relays and other details to proceed with the orders |
|  | D. SCADA list                              | Our team is in receipt of current SCADA list sample shared by LUMA. Based on this sample, our team will develop the preliminary SCADA Point list and will add all available alarms and events based on the final design. The list is pending on the completion of LUMA's analysis and study of our design 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 LUMA's study results   |
|  | E. 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 identified then the foundations drawings, racks design, grounding,  | In Progress  |  |

|          |   |   |                                 |  |
|----------|---|---|---------------------------------|--|
|          |   | conduits design and transmission lines will be completed.   |                                 |  |
|          | F. Dynamic Study  | Based on the preliminary design, Energinx has completed the dynamic study, and it was submitted for LUMA's perusal and approval.  | Submitted                       | Waiting for LUMA's review and evaluation   |
|          | G. 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  | Waiting for Responses from LUMA | Waiting for LUMA's waiver for this particular requirement but the proposed gas breaker meeting the 142 MPH has been approved |
|          | H. Transmission line design and Easement Usage / Permit | <p>It was requested the usage of a PREPA ROW or Easement near to the 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. All documentation has been submitted to the LUMA's Land Department for certification, and endorsement.</p> <p>LUMA responded in a 2<sup>nd</sup> letter that it will require a detailed transmission line design to approve the usage. We have commissioned the transmission line design and will submit to LUMA as requested.</p> <p>It is worth mentioning that the preliminary study conducted by Sargent &amp; Lundy which was used as basis for the PPOA and the allotted reimbursement for interconnection construction, considered the use of the above ROW.</p> | In Progress                     |  |
| <b>2</b> | <b>Commercial</b>                                       |   |                                 |  |
|          | 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 actions required for now  |

|   |   |             |   |
|---|---|-------------|---|
| B. Loans  | Term Sheet was received   | In Progress | Awaiting the issuance of new IRS Instructions regarding the Investment Tax Credits after the approval by Congress of the Inflation Reduction Act  |
| 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 | <p>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</p> <p>Communications had been sent to both PREPA and LUMA in regard to the terms included in the PPOA.</p>   | In Progress | A conference call was held among all the stakeholders involved, PREPA, LUMA and Xzerta and the positions of both LUMA and Xzerta were explained and discussed. It remained to LUMA and PREPA to find a path forward. We expect a path forward will be work out in the upcoming weeks. |



|          |                                       |  |                        |  |
|----------|---------------------------------------|--|------------------------|--|
| <b>3</b> | <b>Contracting</b>                    |  |                        |  |
|          | 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            | Phase 1-A was completed.<br>Phase 1-B Under Review                 |
|          | D. Environmental Site Assessment      | Tycroes group  | Completed<br>Delivered |  |
|          | E. Habitat Study                      | Alejandro Cubiña   | Completed              |  |
|          | F. Foundation Design                  | Carlos Rivera, P.E.  | Completed              |  |
|          | G. Anchoring                          | RBI Solar and / or Schletter   | In progress            |  |
|          | H. Electrical Design                  | Miguel Ortiz, P.E.<br>Lisaidyn Perez<br>Enerzinx   | Completed              |  |
|          | I. SCADA Systems Design               | Lisaidyn Perez   | Completed              | Modifications under review   |
|          | J. Modeling and Simulations           | Enerzinx   | Completed              |  |
|          | K. Relay Study                        | Enerzinx   | Completed              |  |
|          | L. Transmission Lines                 | Ing Hector Castillo  | In progress            |  |
| <b>3</b> | <b>Construction</b>                   |  |                        |  |
|          | A. Permits                            | Completed the following:<br><ol style="list-style-type: none"> <li>1. Location</li> <li>2. Environmental</li> <li>3. Endorsements by <ul style="list-style-type: none"> <li>- Highway and Transportation Authority</li> <li>- Puerto Rico Energy Bureau</li> <li>- Cultural Institute</li> <li>- Puerto Rico Telecommunications Bureau</li> <li>- Puerto Rico Aqueduct and Sewer Authority</li> <li>- Department of Agriculture</li> </ul> </li> </ol> Pending<br><ol style="list-style-type: none"> <li>1. NWP-14</li> <li>2. NPDES General Permit</li> <li>3. Permits Management Office (OGPe) - Calculations for construction square footage</li> </ol> | In progress            | Still waiting for LUMA / PREPA approval for usage of ROW/ Easement |

|          |                       |  |                                       |  |
|----------|-----------------------|--|---------------------------------------|--|
|          |                       | were completed to finalize permit. Permit will be updated with the new data.<br>4. PREPA ROW / Easement Permit of usage  |                                       |  |
|          | 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. |
| <b>4</b> | <b>Procurement</b>    |  |                                       |  |
|          | A. Material List      | The material list has been generated but there are long lead times products waiting for approval.  | In progress but waiting for approvals | Refer to Material List Annex 1 found below for further information                   |
|          | B. Orders             | Waiting for LUMA's approval of proposed products.  | In progress                           | lead time of equipment could impact final implementation of project                  |
| <b>5</b> | <b>Implementation</b> |  |                                       |  |
|          | 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 and upon receiving PREPA's approved testing protocols. Master plan and test procedures will be generated in accordance with PREPA/LUMA approved testing protocols and operations. | Not started                           | Waiting to receive testing protocols from LUMA/PREPA and approval of design          |

The following table shows the status of RFIs:

| # | Number  | Description   | Status | Date Submitted | Comments  |
|---|---------|---|--------|----------------|---|
| 1 | RFI-001 | Transformer specs and interconnection requirements (Y-D, D-Y or D-D)  | Closed | 4/26/2022      | Approval remains 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 | 5/23/2022      | Specifications received. Issues with Wind Conditions requirement. It will be followed through RFI-006   |
| 3 | RFI-003 | SCADA Communication Protocol and Sample of Points                     | Closed | 5/23/2022      | Received List. TBR  |
| 4 | RFI-004 | Amount of demand Energy of PR   | Closed | 5/23/2022      | Calculated at 0.0003% or 0.001 %  |
| 5 | RFI-005 | Request of Permit to usage of PREPAs ROW                              | Closed | 5/23/2022      | Item is still open. LUMA requested to submit request for usage of easement via another form since it is managed by Land Management Dept                     |
| 6 | RFI-006 | Request for exemption to Wind Conditions requirements                 | Open   | 6/2/2022       | Vendors unable to meet criteria of 160 MPH. Current design meets 120 to 140 MPH   |
| 7 | RFI-007 | Request for approval of GCB proposed product                          | Closed | 6/2/2022       | Hitachi GCB Breaker for 115 KV. It has been conditionally approved. LUMA requested to increase CC of GCB1 based on their current design, 145 KV @ 2000 A CC |
| 8 | RFI-008 | Request for approval of MV Switchgear proposed product                | Closed | 6/30/2022      | LUMA stated that the MV switchgear is not within responsibilities. This will remain under contractor decisions regarding the solar farm design.             |
| 9 | RFI-009 | Request for approval of Protective Relays, Network Switch, Controller | Open   | 7/11/2022      |   |

|    |         |   |      |           |  |
|----|---------|---|------|-----------|--|
| 10 | RFI-010 | Request for approval of Dynamic Studies                           | Open | 7/11/2022 |  |
| 11 | RFI-011 | Request for approval of 3P Main Step-Up Oil Transformer 34/115 KV | Open | 7/11/2022 |  |
| 12 | RFI-012 | Request for Testing Protocols and operating procedures            | Open | 8/1/2022  |  |

The following table shows the status of Transmittals:

| # | Number       | Description                                | Status | Date Submitted | Comments |
|---|--------------|--|--------|----------------|----------|
| 1 | XTA-TRA-0001 | Relay Study and Updated Preliminary design | Open   | 9/21/2022      |          |
| 2 | XTA-TRA-0002 | Energy Yield Assessment                    | Open   | 9/30/2022      |          |

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

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Attachments

Revised by PREPA Representative:

  
F. Santos (Oct 20, 2022 12:23 EDT)

Francisco Santos, Esq.  
 Manager Business Strategy and Operations, PREPA  
 October 20, 2022

### Equipment and Components – Materials Status List

| Equipment              | Company/Brand                | Status   | Comments   |
|------------------------|------------------------------|--|--|
| PV Modules             | RFPs Submitted to vendors    | Proposal Received from Talesun and waiting from other vendors (Trina Solar)        | Negotiating Commitment and waiting for other proposals   |
| Inverters              | Ingeteam                     | Refresh of Proposal Received from Ingeteam to proceed with PO                      | Reviewing Contract Terms with Ingeteam   |
| Battery Equipment      | Ingeteam                     | Refresh of Proposal Received from Ingeteam to proceed with PO                      | Reviewing Contract Terms with Ingeteam   |
| Racks and Anchoring    | RBI Solar                    | Provided latest preliminary design to RBI Solar to have them Revised Proposal      | On going   |
| Main Switchgear        | Eaton                        | Received proposal from Eaton and Submitted for approval                            | LUMA stated that Main Switchgear will remain under the contractor prerogative. No approval necessary |
| GIS/GCB                | Hitachi                      | Submitted for approval   | LUMA approved it with comments. Changes incorporated to proceed with POs                             |
| Transformer 34.5/115K  | Hitachi                      | Submitted for approval   | Pending  |
| Meters                 | Eaton                        | Waiting to receive meters information from Eaton to submit product for approval    |  |
| Protective Relays      | SEL                          | Submitted for approval   | Pending  |
| Foundations            | Pending Completion of design |  |  |
| Posts & Towers         | TBD                          |  |  |
| Cables & Miscellaneous | Caribe Sales                 | Revised proposal received. Final proposal will be delivered upon completing design |  |