

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

NEPR

Received:

Dec 22, 2022

2:46 PM

IN RE: REQUEST FOR CERTIFICATION OF
THE PUERTO RICO ELECTRIC POWER
AUTHORITY

CASE NO.: CEPR-CT-2016-0018

SUBJECT: Urgent Motion to Reiterate PREPA's
Petition for Leave to Create Subsidiaries and for
Approval of the Operating Agreements

**URGENT MOTION TO REITERATE PREPA'S PETITION FOR LEAVE TO CREATE
SUBSIDIARIES AND FOR APPROVAL OF THE OPERATING AGREEMENTS**

TO THE HONORABLE ENERGY BUREAU:

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

1. On September 14, 2022, PREPA filed a document titled: "*Petition for Leave to Create Subsidiaries and for Approval of the Puerto Rico PREPA – GENCO - HYDROCO Operating Agreement*" ("Petition for Approval") before the Puerto Rico Energy Bureau of the Public Service Regulatory Board ("Energy Bureau").
2. In essence, the Petition for Approval filed by PREPA requests the Energy Bureau to grant it leave for the purpose of: (i) creating three (3) PREPA Subsidiaries identified as PREPA GenCo, LLC, PREPA HydroCo, LLC and PREPA PropertyCo, LLC; and (ii) approving the PREPA – GenCo - HydroCo Operating Agreement.
3. As indicated on the Petition for Approval, PREPA defines each subsidiary and its corresponding purpose as follows: (i) GenCo is proposed as the legal entity that will own and operate (or delegate the operation of) the PREPA's Legacy Thermal Generation Assets; (ii) HydroCo is proposed as the legal entity that will own and operate (or delegate the operation of) hydroelectric and irrigation assets, employees, vehicles, software, and contracts and assets related to it; and (iii) PropertyCo is proposed as the legal entity

that will own and operate (or delegate the operation of) the PREPA assets not related to the T&D System, the Legacy Thermal Generation Assets or the Hydropower Assets.

4. The Petition for Approval was formulated and filed in accordance with the Puerto Rico Energy Policy, the approved fiscal plans by the Oversight and Management Board for Puerto Rico, the *Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement*, and the *Puerto Rico Transmission and Distribution System Supplemental Terms Agreement between PREPA, the Puerto Rico Public-Private Partnerships Authority (P3A), and LUMA Energy LLC*.

5. As reflected on the docket, despite the Petition for Approval having been filed over three (3) months ago, the Energy Bureau has not yet acted on it nor has PREPA received requests for further information in connection therewith.

6. PREPA urgently requires the approval of its Petition for Approval so that it may actively engage without further delay in the organizational efforts conducive to the inception and statutory compliance of the aforementioned subsidiary entities.

WHEREFORE, PREPA respectfully requests the Honorable Energy Bureau to grant PREPA's Petition for Approval filed on September 14, 2022.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 22nd day of December 2022.

Katiuska Bolaños-Lugo
kbolanos@diazvaz.law
TSPR 18,888

/s/ Joannely Marrero Cruz
Joannely Marrero Cruz
jmarrero@diazvaz.law
TSPR 20,014

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