

December 23, 2022

BY ELECTRONIC DELIVERY

Hon. Edison Avilés-Deliz, PE, Esq.
Hon. Lillian Mateo Santos, Esq.
Hon. Ferdinand A. Ramos-Soegaard, PE
Hon. Sylvia B. Ugarte Araujo, Esq.
Puerto Rico Energy Bureau
World Plaza Building
268 Muñoz Rivera Ave.
San Juan, PR 00918

Re: NEPR-CT-2021-0004 – Additional Submission & Clarification of Record

Honorable Commissioners:

On behalf of our client, Hewlett Packard Puerto Rico B.V. (“HP Puerto Rico”), we make reference to that certain Resolution and Order (the “November 12 Resolution”) issued by the Puerto Rico Energy Bureau (the “Energy Bureau”) on November 12, 2022 in connection with the certification as an electric service company and microgrid for the cogeneration plant (the “CHP Plant”) developed by HP Puerto Rico, to supply electric power to its affiliate, Hewlett Packard Caribe B.V., whereby the Energy Bureau requested, among other things, that HP Puerto Rico submit a certification signed by a licensed engineer indicating that the CHP Plant, as built, complies with all applicable regulations, codes and standards (the “Engineer’s Certification”). In response, HP Puerto Rico filed with the Energy Bureau a Partial Submittal and Extension of Time request and related documents (the “Partial Submittal”) on December 2, 2022, whereby it provided most of the information requested in the November 12 Resolution and asked the Energy Bureau to grant HP Puerto Rico until December 31, 2021 to prepare and submit the Engineer’s Certification.

As requested in the November 12 Resolution and as set forth in the Partial Submittal, attached to this letter please find the Engineer’s Certification, including the CHP Plant’s “as built” design signed and stamped by a Puerto Rico-licensed engineer.

We would also like to take this opportunity to clarify for the record certain inaccurate statements and omissions made in the November 12 Resolution regarding the facts of this case. First, the November 12 Resolution appears to attribute all of the responsibility for the delays in the review and resolution of this case to HP Puerto Rico. Nonetheless, it has always been HP Puerto Rico’s intention to strictly comply with all applicable laws and regulations for the

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operation of the CHP Plant. HP Puerto Rico originally submitted a letter to the Energy Bureau requesting confirmation of the CHP Plant's regulatory treatment on May 11, 2021 (the "May 11 Letter") instead of a formal application for certification as an electric service company and registration as a microgrid because there was no legal precedent for the regulatory treatment of a cogeneration plant similar to the one in this case. Thus, HP Puerto Rico decided to seek the Energy Bureau's confirmation to be able to comply with the requirements applicable to its particular case. HP Puerto Rico filed the documents and paid the fees required for certification as an electric service company in good faith so that the Energy Bureau could have all of the information necessary to make a decision. HP Puerto Rico also timely filed the additional information requested by the Energy Bureau in its resolution dated July 9, 2021.

Second, the Energy Bureau did not respond to the May 11 Letter until more than one year after such submissions were filed with the Energy Bureau for review and resolution. Such delay caused great operational uncertainty for HP Puerto Rico. Given the critical nature of the CHP Plant for HP Puerto Rico to continue to operate and do business in Puerto Rico, HP Puerto Rico proceeded to build the CHP Plant during this time.

The resolution issued by the Energy Bureau on July 21, 2022 (the "July 21 Resolution"), more than one year after HP Puerto Rico's original submission, did not entirely clarify HP Puerto Rico's and the CHP Plant's regulatory treatment. It determined that the CHP Plant constitutes a microgrid but did not make a final decision as to whether HP Puerto Rico must be certified as an electric service company. The Energy Bureau preliminarily deemed that HP Puerto Rico needed to obtain a certification as an electric service company. However, it also indicated that it still needed to evaluate the documents submitted by HP Puerto Rico the prior year to make a final determination.

The confusion that the July 21 Resolution generated and the proximity of the CHP Plant's commercial operation date prompted HP Puerto Rico to communicate directly with the Department of Economic Development and Commerce and the Energy Bureau officers reviewing the case to understand if there was any additional information that the Energy Bureau needed to issue a final decision and certification. As a result of such conversations, the Energy Bureau requested that HP Puerto Rico resubmit a copy of the technical specifications of the CHP Plant's absorption chiller, engines and batteries.¹ It also asked that HP Puerto Rico file with the Energy Bureau an Operational Report pursuant to Section 2.02 of Regulation 8701, as amended ("Regulation 8701").

Although Operational Reports are usually submitted after an electric service company has been certified as such by the Energy Bureau, HP Puerto Rico filed the technical specifications and the Operational Report requested in the July 21 Resolution on September 27, 2022 (the "September 27 Letter"), again in good faith, to ensure that the Energy Bureau had all of the facts it needed to make an informed final decision. HP Puerto Rico did not include the \$800 Operational Report filing fee set forth in Section 2.03 of Regulation 8701 with the September 27 Letter because it had already paid the \$2,600 filing fee for certification as an electric service

¹ Such information was originally submitted with the May 11 Letter.

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company as part of the submissions included in the May 11 Letter and the Energy Bureau had yet to certify HP Puerto Rico as an electric service company.

Lastly, the issuance of the July 21 Resolution coincided with the completion of the CHP Plant and the need for the CHP Plant to commence operations to avoid the power outages and blackouts that occur in Puerto Rico during hurricane season due to the Island's unreliable generation and transmission and distribution systems. It was based on these extraordinary circumstances that HP Puerto Rico requested the Energy Bureau to issue the temporary authorizations to operate included in the letters filed on August 5, 2022 and August 10, 2022, respectively.

Based on the foregoing, we hereby respectfully request that the Energy Bureau amend the November 12 Resolution to clarify the record of this case and include the facts discussed above. We appreciate in advance your assistance in this matter and are available to discuss if you have any questions regarding the foregoing.

Very truly yours,



Edwin R. Cruz



María Fernández

c: Hewlett Packard Puerto Rico, B.V.