

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

IN RE: PROJECT FOR HEWLETT-
PACKARD INDUSTRIAL FACILITY

CASE NO.: NEPR-CT-2021-0004

SUBJECT: Certification as Electric Service
Company and Microgrid

RESOLUTION AND ORDER

I. Relevant Factual Background

On November 12, 2022, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("November 12 Resolution") through which certified Hewlett Packard Puerto Rico BV, LLC ("HP Puerto Rico") as an Electric Service Company pursuant to Regulation 8701¹ and subject to the following conditions ("Certification Conditions"):²

A. Certification of Electric Service Company

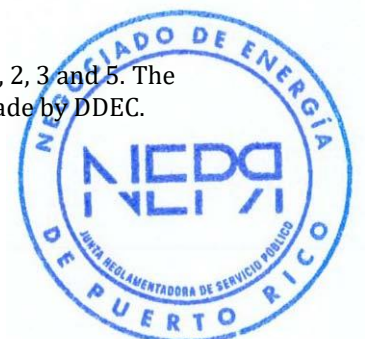
1. HP Puerto Rico must amend its Operational Report to include the information that Section 2.02 (A)(1) of Regulation 8701 requires from electric service companies that will provide electric power generation for sale in Puerto Rico through distributed generators interconnected to the PREPA power grid with an aggregate capacity of one megawatt (1 MW) or more.
2. Upon filing of its amended Operational Report, HP Puerto Rico must submit evidence of payment of the \$800.00 submission fee established by Section 2.03 (A)(2)(a).
3. HP Puerto Rico must submit its amended Operational Report to the Energy Public Policy Program of the DEDC for review and comments and provide evidence of such submittal to the Energy Bureau.
4. HP Puerto Rico must submit any comments the DEDC's comments on its amended Operational Report to the Energy Bureau.
5. HP Puerto Rico must amend its Request for Certification to reflect that it will also provide electric power billing services, in compliance with Section 3.03 (A)(1) of Regulation 8701.

In its November 12 Resolution, the Energy Bureau approved the CHP Plant as a Third-Party Microgrid, subject to filing certain documents and information required by Regulation 9028 within 20 days for the notification of the November 12 Resolution.³ The Energy Bureau warned HP Puerto Rico that noncompliance with the November 12

¹ Amendment to Regulation No. 8618 on Certification, Annual Fees, and Operational Plans for Electric Service Companies in Puerto Rico ("Regulation 8701").

² November 12 Resolution granted HP Puerto Rico 20 days to comply with conditions 1, 2, 3 and 5. The November 12 Resolution HP Puerto Rico to immediately submit any such comments made by DDEC.




³ Regulation on Microgrid Development ("Regulation 9028").




Resolution may result in the revocation of the approval of the CHP Plant as a Third-Party Microgrid.⁴

The November 12 Resolution, states that the Energy Bureau granted authorization to HP Puerto Rico to operate the CHP Plant, until December 31, 2022, subject to the filing of the following documents:

1. Certification signed by a licensed engineer indicating that the CHP Plant, as built, complies with all regulations including, but not limited to, regulations of the United States Environmental Protection Agency (USEPA), all codes and standards as ordered by the Energy Bureau through Resolution,⁵ and local siting regulations and ordinances.
2. Certification of the CHP Plant "as built" design signed and stamped by a licensed engineer.
3. Certification of inspection of the CHP Plant signed by a licensed engineer or licensed electrician, when authorized by law to do so.




The Energy Bureau notified through the November 12 Resolution: (i) that the filing of the aforementioned certifications shall constitute authorization to HP Puerto Rico to immediately begin the operation of the CHP Plant without any additional action required from the Energy Bureau; and (ii) that the Energy Bureau will review the information provided by HP Puerto Rico and may require HP Puerto Rico to file any additional information the Energy Bureau deems necessary or convenient. In the event of non-compliance or if the Energy Bureau determines that HP Puerto Rico fails to comply with the requirements in Regulation 9028, the Energy Bureau may, at its discretion, take any appropriate action to ensure the safety and reliability of the service provided to HP Caribe.⁶


Through the November 12 Resolution, the Energy Bureau indicated that to continue operating the CHP Plant after December 31, 2022, HP Puerto Rico shall request prior authorization from the Energy Bureau, unless otherwise directed by the Energy Bureau through Resolution and/or Order.⁷

On December 2, 2022, HP Puerto Rico filed a letter ("December 2 Letter") through which it attached: (i) an amended Request for Certification, (ii) an amended Operational Report, including confirmation of the wire transfer corresponding to the applicable \$800 filing fee, and (iii) the Microgrid Application. HP Puerto Rico requested an extension of time to provide the requested Engineer's Certification until December 31, 2022.⁸

On December 5, 2022, HP Puerto Rico filed document titled: "Exhibits to Microgrid Application" ("December 5 Documents") which includes Operation and Maintenance Agreements, Plans and Drawings, Tables, Technical Specifications, Technical Instructions, among others.

On December 23, 2022, HP Puerto Rico filed a letter ("December 23 Letter") through which it attached the Engineer's Certification and the CHP Plant's "as-built" design, signed, and stamped by a Puerto Rico-licensed engineer, as requested on the November 12 Resolution.

⁴ November 12 Resolution, p. 16.

⁵ See, *In Re: Codes and Standards for Microgrid Compliance*, Case No. CEPR-MI-2018-0007, Resolution, May 16, 2018.

⁶ November 12 Resolution, p. 17.

⁷ November 12 Resolution, p. 17.

⁸ Note that the conditional authorization granted by the Energy Bureau expires on December 31, 2022, as per the November 12 Resolution.



II. Analysis

A. Certification of Electric Service Company.

Upon review of all documents filed by HP Puerto Rico on the December 2 Letter, the Energy Bureau **DETERMINES** that HP Puerto Rico included its amended Operational Report in compliance of the Section 2.02 (A)(1) and 3.03 (A)(1) of Regulation 8701 and the payment for the filing fees in compliance of Section 2.03(A)(2)(a) of Regulation 8701. The amended Operational Report indicates that such report has been referred to the Energy Public Policy Program of the Department of Economic Development and Commerce ("DEDC"), but such evidence has not been submitted to the Energy Bureau. The Energy Bureau **DETERMINES** that HP Puerto Rico did not comply with Section 2.02(E) of Regulation 8701.

B. Certification of Third Party Microgrid.

The Energy Bureau is reviewing the documents filed with the December 2 Letter and the December 5 Documents. Since the conditional authorization expires on December 31, 2022, the Energy Bureau **EXTENDS, motu proprio**, until March 31, 2022 the conditional authorization granted in the November 12 Resolution, unless otherwise directed by the Energy Bureau through Resolution and Order.

C. Conditional Authorization to Operate the CHP Plant.

Upon review of the document filed by HP Puerto Rico on the December 23 Letter attachment's, the Energy Bureau **DETERMINES** that HP Puerto Rico complied in part with the November 12 Resolution.

III. Conclusion

A. Certification of Electric Service Company

Upon review of all documents filed by HP Puerto Rico, the Energy Bureau **CERTIFIES** HP Puerto Rico as an Electric Service Company pursuant to Regulation 8701, subject to the following conditions ("Certification Conditions"):

1. HP Puerto Rico must submit its amended Operational Report to the Energy Public Policy Program of the DEDC for review and comments and provide evidence of such submittal to the Energy Bureau.
2. HP Puerto Rico must submit any comments the DEDC's comments on its amended Operational Report to the Energy Bureau.

The Energy Bureau **GRANTS** HP Puerto Rico seven (7) business days from the notification of this Resolution and Order to submit the evidence of the referral of the amended Operational Report to the DEDC and **ORDERS** HP Puerto Rico to submit the DEDC's comments immediately thereafter. The Energy Bureau **WARNS** HP Puerto Rico that noncompliance with this Resolution and Order may result in the revocation of its Certification as an Electric Service Company.

B. Certification of Third Party Microgrid

The Energy Bureau **DETERMINES** that the conditional approval of the CHP Plant as a Third-Party Microgrid, as notified by the November 12 Resolution, remains unaltered, unless otherwise directed by the Energy Bureau through Resolution and Order.

C. Conditional Authorization to Operate the CHP Plant

The Energy Bureau **EXTENDS, motu proprio**, the conditional authorization to HP Puerto Rico as stated in the November 12 Resolution to operate the CHP Plant, until



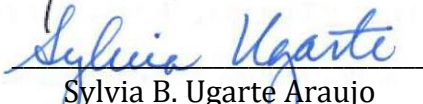
March 31, 2023, subject to the final evaluation of the documents filed through the December 2 Letter and December 5 Documents for the “Certification of the Third Party Microgrid”, unless otherwise directed by the Energy Bureau through Resolution and Order.


To continue operating the CHP Plant **after the MARCH 31, 2023 deadline**, HP Puerto Rico shall request prior authorization from the Energy Bureau, unless otherwise directed by the Energy Bureau through Resolution and/or Order.

Be it notified and published.


Edison Avilés Deliz
Chairman


Lillian Mateo Santos
Associate Commissioner


Sylvia B. Ugarte Araujo
Associate Commissioner


Antonio Torres Miranda
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on December 30, 2022. Associate Commissioner Ferdinand A. Ramos Soegaard did not intervene. I also certify that on December 30, 2022 a copy of this Resolution was notified by electronic mail to mfernandez@pmalaw.com and ecruz@pmalaw.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 December 30, 2022.


Sonia Seda Gaztambide
Clerk

