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

**IN RE:** REQUEST FOR APPROVAL OF RFP PROCESS FOR THE NEW BLACK-START SYSTEMS AT COSTA SUR AND YABUCOA

**SUBJECT:** PREPA - Motion to Submit Responses in Compliance with the January 5

Order (Emergency Generation Units)

**CASE NO.**: NEPR-MI-2022-0005<sup>L</sup>

#### MOTION TO SUBMIT RESPONSES IN COMPLIANCE WITH THE JANUARY 5 ORDER

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority (PREPA) through the undersigned legal representation and respectfully submits and requests as follows:

- 1. On December 29, 2022, PREPA submitted to the Energy Bureau of the Public Service Regulatory Board ("Energy Bureau") a notice titled Request for Approval to Proceed with Request for Proposals for the New Emergency Generation Units at Jobos, Daguao and Palo Seco ("Request"). The Request had a draft request for proposals identified as Jobos, Daguao and Palo Seco Emergency Generation Projects ("Emergency Generation Draft RFP") attached.
- 2. On January 5, 2023, the Energy Bureau entered a Resolution and Order with the subject Project Application Package for the Seven (7) Additional Peakers to be used as Emergency Generation ("January 5 Order"). The January 5 Order directed PREPA to, on or before January 20, 2023, respond to a series of questions regarding the Emergency Generation Draft RFP.
- 3. In compliance with the January 5 Order, PREPA includes as Annex A to this motion the responses to the questions posed to PREPA in the January 5 Order.

WHEREFORE, it is hereby requested that the Energy Bureau note that PREPA complied with the January 5 Order and approve the Request.

#### RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 9th day of January 2023.

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

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#### **CERTIFICATE OF SERVICE**

It is hereby certified that, on this same date, I have filed the above motion with the Office of the Clerk of the Energy Bureau using its Electronic Filing System at <a href="https://radicacion.energia.pr.gov/login">https://radicacion.energia.pr.gov/login</a>.

In San Juan, Puerto Rico, this 9<sup>th</sup> day of January 2023.

<u>/s Katiuska Bolaños-Lugo</u> Katiuska Bolaños-Lugo

## Annex A

# PREPA RESPONSES TO THE JANUARY 5, 2023 REQUESTS FOR INFORMATION

1. Condition (ii) above indicates the resources must be mobile. The draft RFP does not indicate a request for mobile units. Explain why the Project Application Package does not include this condition.

Answer: The RFP is open to all available technology for power generation, which includes mobile gas turbines, RICE, aero-derivative gas turbines, and frame gas turbines. Please refer to section A.1.2.1, Technical Specifications.

2. What is PREPA's current view on the value of mobile peaking units, relatively to stationary peaking units?

Answer: Typically, in the power generation industry, fixed units are considered for long-term generation in a single site. Mobile Units are for multiple sites because they are easier to be relocated. The bid evaluation formula will objectively determine the best option. They both equally provide the resiliency needed in PREPA's electrical system.

3. The size of the older peaking generation units at the three (3) stations is roughly 21 MW at each location, and seven replacement generation units of the same size would total 147 MW. How did PREPA arrive at its inclusion in the RFP of maximum amounts of power of SO MW, 60 MW, and 90 MW at (respectively) Jobos, Daguao, and Palo Seco, in total a maximum of 200 MW?

Answer: Existing units at each location are 21MW. The RFP intends to provide a range of MW, allowing multiple technology/manufactures to bid their standard offerings.

4. The sites for the original older GT Units include Vega Baja, with one of the two units ranked relatively low in terms of reliability at the time (Response to PREB- PREPA-09-02-d).3 The Palo Seco site already has three new CT units (the MegaGens). Why is the maximum emergency generation - presumably three units - being considered at a site that already has 66 MW of relatively new generation, and why is none of the emergency generation considered for the Vega Baja site?

Answer: PREPA's intent is to replace units at Vega Baja. But this station is adjacent to a residential area. The PR Environmental Quality Board restricts the available space to daylight operation because of noise. 5. In the PREPA IRP<sup>4</sup> at Section 6.3.2 "Representative Future Generation Resource Characteristics", Simple Cycle Mobile Units, Simple Cycle Peaker GTs, and Reciprocating Engines unit information was provided (Exhibits 6.10 through 6.13).<sup>5</sup> Provide supportive information, analogous (at a high level) to that provided in the IRP, on the current size range and types of small-scale generation units suited to provide emergency generation, and how the current availability of such capacity was considered in PREPA's development of its Scope of Services for size, types, and potential locations of emergency generation found in the RFP.

Answer: Exhibits 6-22, 6.23 and 6.24 of the IRP were used as a reference for the RFP. The sizes were based on existing units and available space on the Jobos, Palo Seco and Daguao sites.

6. Where in the Project Application Package, and in what form, is it conveyed to prospective respondents to the RFP that responses must contemplate, as a conceptual design, the infrastructure to manufacture and supply Green Hydrogen?

Answer: Hydrogen technology is still in research and development. The intention of the RFP is to supply generation units capable of burning at least 30% of hydrogen. FEMA approved this project as mitigation, and it does not include the conceptual design of infrastructure and supply of green hydrogen or any other fuel.

7. Confirm or explain otherwise that the only indication in the Project Application Package of a part of condition (i) above (namely, Green Hydrogen supply) is in the RFP, in the requirement that the generating units must have the ability to use a blend of hydrogen in the unit.

Answer: The supply of LNG, hydrogen or any other fuel type and its infrastructure are not part of the Peakers RFP and are not considered by FEMA. The RFP requires that the units be capable of burning diesel, biofuel, natural gas and at least a blend of 30% hydrogen.

8. Condition (iii) indicates that the generation units themselves must be capable of being used as synchronous condensers. Explain why the RFP allows for "an equivalent synchronous condenser" to be installed in addition to the emergency generation if the emergency generation cannot be a synchronous condenser. Does PREPA contemplate that some responses to the RFP will include generation that cannot be configured as? Explain, indicating which types are likely to, and which types are not likely to, be configurable as synchronous condensers.

Answer: Not all generators supplied by the OEM or power generation technology can operate as a synchronous condenser. For example, solar turbines and reciprocating

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internal combustion engine generators are not designed to operate in that mode. The RFP allows for an equivalent to open the market competitiveness.