

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

IN RE: IMPLEMENTATION OF THE PUERTO RICO ELECTRIC POWER AUTHORITY INTEGRATED RESOURCE PLAN AND MODIFIED ACTION PLAN

CASE NO.: NEPR-MI-2020-0012

SUBJECT: Extension of time for Tranche 1 Executed Projects signed June 30, 2022 to achieve Closing Date.

RESOLUTION

On February 2, 2022, the Energy Bureau of the Public Service Regulatory Board ("Energy Bureau") approved 18 power purchase and operating agreements ("PPOAs") for the Solar PV projects for Tranche 1 and were signed between June and August 2022 ("18 Executed PPOAs").¹ Out of the 18 Executed PPOAs, nine (9) PPOAs were signed June 30, 2022 ("June 30 PPOAs"). As per Section 2.3(b) of the 18 Executed PPOAs, the date to achieve closing before triggering the automatic termination for the June 30 PPOAs was February 25, 2023.

On January 30, 2023, the Energy Bureau authorized the Puerto Rico Electric Power Authority ("PREPA") a sixty (60) day extension for the automatic termination provided in Section 2.3 of the 18 Executed PPOAs. Hence, the termination date for the June 30 PPOAs ends on **April 26, 2023**.

On March 10, 2023, the Energy Bureau issued a Resolution and Order ("March 10 Order") through which it encouraged the PREPA to evaluate any pending Conditions Precedent that may be waived to achieve the Closing Date as established in each of the 18 Executed PPOAs approved as part of Tranche 1 RFP.

On March 31, 2023, PREPA filed a document titled *Motion Requesting Approval of Amendments and Informing on Status of Project Development Timeline for Tranche 1 Utility-Scale Project Agreement* ("March 31 Motion"). Through the March 31 Motion, PREPA said the Tranche 1 PV proponents were asking for extensions of deadlines in the agreements to achieve the *Closing Date*. PREPA further stated that the Resource Providers' request were justified and reasonable if they had material concerns regarding timelines and pricing because the *Closing Date* triggers the 24-month clock to complete the projects.

Upon an initial review of the March 31 Motion, on April 4, 2023, the Energy Bureau issued two (2) Resolution and Orders ("April 4 Orders") through which ordered PREPA (i) to immediately execute the closing of any PPOAs which project does not have outstanding adverse issues, (ii) to the extent advisable and in the public interest, negotiate with the project developers any necessary amendments to the PPOAs to appropriately address any duly demonstrated and proven adverse issues, but in all cases within the Levelized Cost of Energy ("LCOE") parameters established by the Energy Bureau, and (iii) to resubmit any proposed amendments to the approved and signed PPOAs before the respective Closing Dates. The April 4 Orders also requested PREPA to require proponents to present their Best and Final Offer ("BFO") within three (3) business days.

On April 14, 2023, PREPA filed a document titled *Motion Requesting Technical Meeting* ("April 14 Motion") in which PREPA states that it received proponents BFO on April 10, 2023.²

To consider authorizing any extension to the Closing Date to the June 30 PPOAs, the Energy Bureau **ORDERS** PREPA to file the BFO of each proponent received during the month of April 2023 on or before **TWO (2) days** from the notification of this Resolution and Order.

¹ Except as otherwise provided, capitalized terms used but not otherwise defined in this Resolution and Order have the meaning ascribed to them in the executed PPOAs.

² April 14 Motion, p. 4, ¶ 8.



The remaining parts of the April 4 Orders not modified by this Resolution and Order shall remain unaltered.


Be it notified and published.



Edison Avilés Deliz
Chairman



Lillian Mateo Santos
Associate Commissioner



Ferdinand A. Ramos Soegaard
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 April 17, 2023. I also certify that on April 17, 2023, a copy of this Resolution and Order was notified by electronic mail to the following: laura.rozas@us.dlapiper.com, ana.rodriguezrivera@us.dlapiper.com; jmarrero@diazvaz.law and mvazquez@diazvaz.law. I also certify that today, April 17, 2023, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau.

For the record, I sign this in San Juan, Puerto Rico, today April 17, 2023.



Sonia Seda Gaztambide
Clerk

