

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

**IN RE:** MANEJO DEL MANTENIMIENTO Y REPARACIONES DE LAS UNIDADES DE GENERACIÓN UTILIZADAS POR LA AUTORIDAD DE ENERGÍA ELÉCTRICA DE PUERTO RICO PARA SUPLIR SERVICIO ELÉCTRICO

**CASE NO.:** NEPR-MI-2021-0014

**SUBJECT:** Filing of GENERA's Proposed Consumables, Spare Parts, and Capital Spare Parts Listing

**RESOLUTION AND ORDER**

Pursuant to the provisions of Act 57-2014,<sup>1</sup> the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") has jurisdiction over the Puerto Rico Electric Power Authority ("PREPA") and other electric service companies. Act 57-2014, clearly states it is public policy that all consumers have the right to a reliable and stable electric service.<sup>2</sup> Act 17-2019<sup>3</sup> broadened the Energy Bureau's authority and reinforced the foregoing public policy by declaring that "(t)he electric power system should be reliable and accessible, promote industrial, commercial, and community development, improve the quality of life at just and reasonable cost, and promote the economic development of the Island."

**Background**

In order for the Energy Bureau to fulfill its statutory authority and duty to the people of Puerto Rico, it is imperative that the electric service companies subject to the jurisdiction of the Energy Bureau keep the Energy Bureau informed as to the operating state of the electric power system. Toward that purpose, the Energy Bureau established this docket for filing certain material related to the maintenance and repair of PREPA's generation fleet and other reports.

On January 24, 2023, the Puerto Rico Electric Power Authority ("PREPA" or "Owner"), the Puerto Rico Public-Private Partnership Authority ("P3A" or "Administrator"), and Genera PR LLC ("GENERA" or "Operator") entered into the Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement ("GENERA OMA") that provides for the operation and maintenance services ("O&M Services") of certain baseload generation plants and combustion turbine peaking units defined therein as "Legacy Generation."

GENERA is obligated under Section 4.2 of the GENERA OMA to report on the available inventory of Consumables, Spare Parts and Capital Spare Parts for each Legacy Generation Asset which could be used for offsetting other costs and expenses. Section 4.2 specifically states:

(j) Consumables, Spare Parts and Capital Spare Parts. (ands in any event within sixty (60) days) following the Effective Date, and in accordance with the Mobilization Plan, Operator shall review the inventory of Consumables, Spare Parts and Capital Spare Parts for each Legacy Generation Asset and submit to Administrator and PREB (with copy to Owner), for their review and approval, a recommendation in consultation with the original equipment manufacturers of any additional Consumables, Spare Parts and Capital Spare Parts necessary to provide Operator with a supply of such Consumables, Spare Parts and Capital Spare Parts to allow Operator to comply with its obligations

<sup>1</sup> Puerto Rico Energy Transformation and RELIEF Act, as amended.

<sup>2</sup> *Id.*

<sup>3</sup> Known as the Puerto Rico Energy Public Policy Act.



under this Agreement for twelve (12) months following the Service Commencement Date (with any modifications deemed to be appropriate by Administrator). During the twelve (12) months following the Service Commencement Date, in the event that, following review of the inventory of Consumables, Spare Parts and Capital Spare Parts for a Legacy Generation Asset, Operator determines that additional Consumables, Spare Parts and Capital Spare Parts are necessary to allow Operator to comply with its obligations under this Agreement for the remainder of such twelve (12) month period, Operator may submit to Administrator and PREB (with copy to Owner), for their review and approval, a revision to the initial approved recommendation. After such twelve (12) month period, it shall be Operator's responsibility to procure any additional, necessary Consumables and Spare Parts, and any additional, necessary Capital Spare Parts in accordance with Section 5.6 (*Capital Spare Parts and Capital Improvements*), in each case in accordance with the then-approved Operating Budget.

On June 1, 2023, GENERA submitted a letter in compliance with Section 4.2(j), stating its recommendations of Consumable, Spare Parts and Capital Spare Parts (Recommendation Letter) via email to the Energy Bureau and to the P3A.

**Regulatory Filing Requirement**

The Energy Bureau **ORDERS** GENERA to file in this Docket its June 1, 2023 Recommendation Letter<sup>4</sup> within forty-eight (48) hours of the issuance of this Resolution and Order and any future submission of recommendations made by GENERA under Section 4.2(j) concurrently with the same submission timelines stated in Section 4.2(j) of the GENERA OMA.

The Energy Bureau **WARNS** GENERA that

- (i) noncompliance with this Resolution and Order, regulations and/or applicable laws may carry the imposition of fines and administrative sanctions of up to \$25,000 per day;
- (ii) any person who intentionally violates Act 57-2014, as amended, by omitting, disregarding, or refusing to obey, observe, and comply with any rule or decision of the Energy Bureau shall be punished by a fine of not less than five hundred dollars (\$500) nor over five thousand dollars (\$5,000) at the discretion of the Energy Bureau; and
- (iii) for any recurrence of non-compliance or violation, the established penalty shall increase to a fine of not less than ten thousand dollars (\$10,000) nor greater than twenty thousand dollars (\$20,000), at the discretion of the Energy Bureau.

Be it notified and published.




<sup>4</sup> Spreadsheets included in this letter to be provided unlocked in native form with all formulas and links intact.



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Edison Avilés Deliz  
Chairman

  
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Lillian Mateo Santos  
Associate Commissioner

  
\_\_\_\_\_  
Ferdinand A. Ramos Soegaard  
Associate Commissioner

  
\_\_\_\_\_  
Sylvia B. Ugarte Araujo  
Associate Commissioner

  
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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 June 16, 2023. I also certify that on June 16, 2023 a copy of this Resolution and Order was notified by electronic mail to jmarrero@diazvaz.law, margarita.mercado@us.dlapiper.com, brannen@genera-services.com; kbolanos@genera-pr.com; regulatory@genera-pr.com. I also certify that on June 16, 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, on June 16, 2023.

  
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Sonia Seda Gaztambide  
Clerk

