

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

**IN RE:** REVIEW OF THE PUERTO RICO  
ELECTRIC POWER AUTHORITY'S 10-YEAR  
INFRASTRUCTURE PLAN – DECEMBER 2020

**CASE NO.:** NEPR-MI-2021-0002

**SUBJECT:** Determination on PREPA's June 22,  
2023, Motion.

**RESOLUTION AND ORDER**

**I. Introduction**

On March 26, 2021, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("March 26 Resolution") in the instant case, through which it ordered the Puerto Rico Electric Power Authority ("PREPA") to submit each specific capital investment project for approval to avoid potential noncompliance with the Approved Integrated Resource Plan ("IRP") and Modified Action Plan.<sup>1</sup> To streamline the process, the Energy Bureau requested PREPA to submit the specific projects to the Energy Bureau at least thirty (30) calendar days before their submittal to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency ("COR3") and the Federal Emergency Management Agency ("FEMA").<sup>2</sup>

On June 22, 2023, PREPA filed a document titled *Motion to Submit Scope of Work for Mayagüez Unit 3B Gas Generators Inspections and Repairs* ("June 22 Motion"). As Exhibit A to the June 22 Motion, PREPA included one (1) FEMA Projects Scope of Work ("SOW") with Cost Estimates for: "Mayagüez Unit 3B Gas generators Inspections and Repairs" dated 06/14/2023.

Through the June 22 Motion, PREPA also requested confidential designation and treatment for certain global positioning system ("GPS") information for the projects in Exhibit A. PREPA states that such GPS information is considered Critical Energy Infrastructure Information ("CEII") and is confidential<sup>3</sup>.

**II. Evaluation of the June 22 Motion**

Through the June 22 Motion, as Exhibit A, PREPA submitted one (1) SOW for: Mayagüez Unit 3B Gas Generators Inspections and Repairs.

The SOW project targets the repair of damages that the Mayagüez Unit 3B Gas Generators power plant suffered as a consequence of the direct hit of Hurricane Maria and also, to perform works of conservation, repairs, and retrofitting of the generation unit and their auxiliary equipment including the turbines.

PREPA informs that "the Mayagüez Power Station aero-derivatives gas turbines have the capability to operate in micro and island grid modes through the 115 kV and 38 kV power lines and are capable to provide electric power to a substantial portion of the western area of Puerto Rico. The availability of all units in this power station is of utmost importance to supply electric power to critical loads such as hospitals, maritime, and manufacturing industries, reserve and emergency power and voltage regulation to the west, and northwest sides of the island. Thus, the repair of Unit 3B is a priority for PREPA to supply power to all critical loads of surrounding regions."<sup>4</sup>

The SOW for the project includes scope of work for work to be performed, and cost incurred for which PREPA will seek reimbursement from the Federal Emergency Management Agency ("FEMA").

<sup>1</sup> Final Resolution and Order on the Puerto Rico Electric Power Authority's Integrated Resource Plan, *In re: Review of the Integrated Resource Plan of the Puerto Rico Electric Power Authority*, Case No. CEPR-AP-2018-0001, August 24, 2020 ("IRP Order").

<sup>2</sup> March 26 Resolution, pp. 14-15.

<sup>3</sup> June 22 Motion, pp 3-7.

<sup>4</sup> *Id.*, ¶ 4.



The SOW for the Mayagüez Unit 3B Gas Generator Inspections and Repairs includes:

1. Section 4.5 Carbon Seal Inspection- works consist of removal of the Gas Generator 743102 from Unit 3B, displace the turbine shaft, perform a detailed inspection by two (2) specialized engineers, replacement of the carbon seal, perform vacuum test, install Gas Generators back to Unit 3B, final inspections, startup, and reports.
2. Unit 3B High Breather Pressure induction, repairs, and transportation to shop- work consist of the induction and disassembly of Gas Generator 743102, repairs, including parts and labor, and transportation to shop (Unites States).
3. Unit 3B Replacement of HPT T-1 Blades and Overhaul of Honeycomb Air Seals of LPT 3<sup>rd</sup> BOAS Segments- includes the inspection and replacement of all 64-ea. High Pressure Turbine ("HPT") T-1 blades, the overhaul of all 25-ea. honeycombs air seals of the Low Power Turbines ("LPT") 3<sup>rd</sup> blades outer air seal ("BOAS") segments.
4. Unit 3B High Breather Pressure 9<sup>th</sup> Stage disk- includes parts and labors to replace the High-Pressure Compressor ("HPC") 9<sup>th</sup> stage disk of the Unit 3B Gas Generator 743102.
5. Unit 3B Transportation and Installation- consist of the installation of the Gas Generator 743102 back to Unit 3B, final inspection and startup, including rigging, tooling, and insurances.

The works to be performed are aimed to restore the equipment to pre-disaster function and to meet applicable codes and standards.

The estimated cost for the project represents **\$4,045,630.00** and are based on historical pricing that includes materials, construction labor and equipment, engineering, permitting, management, and contingencies.

After a review of Exhibit A of the June 22 Motion, the Energy Bureau **DETERMINES** that the project is necessary to perform the permanent repairs of the Mayaguez Unit 3B Gas Generator. The Energy Bureau **APPROVES** the project in **Attachment A** to this Resolution and Order. This approval represents **\$4,045,630.00** based on the Cost Estimates submitted by PREPA.

### III. PREPA's Request for Confidential Information Designation and Treatment of portions of Exhibit A of the June 22 Motion

In the June 22 Motion, PREPA requested confidential designation and treatment of Exhibit A for certain global positioning system ("GPS") information for the projects. PREPA alleged that the SOWs in Exhibit A of the June 22 Motion contains GPS coordinates of the power plants, which is confidential information in the form of CEII that garners protection from public disclosures pursuant to federal statutes and regulations<sup>5</sup> and the Energy Bureau policy on management of confidential information,<sup>6</sup> that therefore is also protected under Act 57-2014.<sup>7</sup> PREPA requests the Energy Bureau to grant confidential designation and treatment to the referred portion of Exhibit A.

Table 1 below details the portions of Exhibit A which PREPA requested confidential designation and treatment.



<sup>5</sup> 6 U.S.C. §§ 671-674; 18 C.F.R. §388.113 (2020).

<sup>6</sup> See Resolution, *In re: Política sobre Manejo de Información Confidencial en los Procedimientos ante la Comisión*, Case No. CEPR- MI-2016-0009, issued on August 31, 2016.

<sup>7</sup> Known as *Puerto Rico Energy Transformation and RELIEF Act*, as amended.



**Table 1: PREPA’s Request for Confidential Information Designation and Treatment, of portions of Exhibit A**

Document	Project Description	Confidential Information	Legal Basis	Date Filed
Exhibit A	Mayagüez Unit 3B Gas Generators Inspection and Repairs	GPS Location Page 4, Sec. 2.1 EHP Checklist supporting documents (photo) page, 69,71	CEII	June 22, 2023

**IV. Energy Bureau Determination**

The Energy Bureau **APPROVES** the project in **Attachment A** to this Resolution and Order, which shall be presented to FEMA and COR3 to finalize their approval process for the request of federal funds. The Energy Bureau approved this project based upon the information provided by PREPA. Should the scope of the project change or the request for the federal funds are not approved for such project, PREPA **SHALL** immediately seek the Energy Bureau’s approval of such changes.

The Energy Bureau **ORDERS** PREPA to (i) submit to the Energy Bureau copy of the approval by COR3 and/or FEMA of the project in **Attachment A**, which shall contain the costs obligated for the project, **within ten (10) days of receipt of the approval**; (ii) provide the Energy Bureau the actual contracted cost to construct the project in **Attachment A**, **within ten (10) days from the execution of the contract**; and (iii) inform the Energy Bureau once the project is completed.

The directive established in the March 26 Resolution regarding the submission of projects before the Energy Bureau at least thirty (30) calendar days before submitting such projects to FEMA and/or COR3 remains unaltered.

Act 57-2014<sup>8</sup> establishes that any person having the duty to submit information to the Energy Bureau, can request privilege or confidential treatment to any information that the party submitting understands deserves such protection.<sup>9</sup> Specifically, Act 57-2014 requires the Energy Bureau to treat as confidential the submitted information stated that “the Energy Bureau, after the appropriate evaluation, believes such information should be protected”.<sup>10</sup> In such case, the Energy Bureau “shall grant such protection **in a manner that least affects the public interest, transparency**, and the rights of the parties involved in the administrative procedure in which the allegedly confidential document is submitted.”<sup>11</sup>

After a review of PREPA’s arguments and the applicable law, the Energy Bureau **GRANTS** confidential designation and treatment to the parts of Exhibit A as described in Table 1 above, pursuant to Article 6.15 of Act 57-2014. The Energy Bureau **TAKE NOTICE** that PREPA already submitted a redacted (*i.e.*, public) version of Exhibit A as described in Table 1.

The Energy Bureau **WARNS** PREPA that, noncompliance with any provision of this Resolution and Order, may result in the imposition of fines pursuant to Act 57-2014<sup>12</sup> and applicable Energy Bureau’s regulations and any other appropriate administrative sanctions, as considered appropriate by the Energy Bureau.

<sup>8</sup> *Id.*

<sup>9</sup> Section 6.15 of Act 57-2014.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.* (Emphasis added).


<sup>12</sup> Known as the *Puerto Rico Energy Transformation and RELIEF Act*, as amended.



Be it hereby 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 July 6, 2023. I also certify that in July , 2023 a copy of this Resolution and Order was notified by electronic mail to [laura.rozas@us.dlapiper.com](mailto:laura.rozas@us.dlapiper.com); [margarita.mercado@us.dlapiper.com](mailto:margarita.mercado@us.dlapiper.com), [Yahaira.delarosa@us.dlapiper.com](mailto:Yahaira.delarosa@us.dlapiper.com); [jmarrero@diazvaz.law](mailto:jmarrero@diazvaz.law); [mvazquez@diazvaz.law](mailto:mvazquez@diazvaz.law). I also certify that today, July 6, 2023, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau.

I sign this in San Juan, Puerto Rico, today July 6, 2023.

  
\_\_\_\_\_  
Sonia Seda Gaztambide  
Clerk



**Attachment A**  
**Projects Approved by the Energy Bureau**

Damage Number	Region	Project Name	Presented Estimate
250040	Island Wide Generation Plants	Unit 3B Gas Generator Inspection and Repairs	\$4,045,630.00
Total			\$4,045,630.00

