

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

<b>NEPR</b>  <b>Received:</b>  <b>Aug 2, 2023</b>  <b>4:20 PM</b>
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**IN RE:**

REVIEW OF LUMA’S INITIAL BUDGET

**CASE NO.:** NEPR-MI-2021-0004

**SUBJECT:** Motion in Response to the Resolution and Order Dated July 14, 2023

**MOTION IN RESPONSE TO THE RESOLUTION AND ORDER DATED JULY 14, 2023  
TO THE HONORABLE PUERTO RICO ENERGY BUREAU:**

COMES NOW GENERA PR LLC (“Genera”), as agent of the Puerto Rico Electric Power Authority (“PREPA”),<sup>1</sup> through its counsels of record, and respectfully state and request the following:

1. On June 30, 2023, LUMA submitted a document titled, *Submission of Motions for Reconsideration by PREPA and Genera and Notice of Intent to Request Reconsideration of Resolution and Order of June 25, 2023* (“June 30<sup>th</sup> Motion”). Included with the June 30<sup>th</sup> Motion, LUMA submitted, on behalf of Genera, a document titled *Urgent Motion in Compliance with Resolution and Order of June 25, 2023 and for Partial Reconsideration* (“Genera’s Request for Reconsideration”).

2. On July 14, 2023, the Energy Bureau issued a Resolution and Order titled *Requirement of Information (“ROI”) to Genera – Review of LUMA’s Proposed Consolidated FY 2024 Budgets* (“July 14<sup>th</sup> Order”), whereby it determined that based on the new information

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<sup>1</sup> Pursuant to the *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* (“LGA OMA”), dated January 24, 2023, executed by and among PREPA, Genera, and the Puerto Rico Public-Private Partnerships Authority, Genera is the sole operator and administrator of the Legacy Generation Assets (as defined in the LGA OMA) and the sole entity authorized to represent PREPA before PREB with respect to any matter related to the performance of any of the O&M Services provided by Genera under the LGA OMA.

provided in Genera's Request for Reconsideration, supporting material is required for its review. The Energy Bureau found that the new information provided lacked the support needed to allow the Energy Bureau to fully assess Genera's Request for Reconsideration.

3. In the July 14<sup>th</sup> Order, the Energy Bureau ordered Genera to respond, on or before July 25, 2023, at 12:00 PM, to the Requirements of Information ("ROI") set forth in Attachment A to the July 14<sup>th</sup> Order.

4. On July 25, 2023, in compliance with the July 14<sup>th</sup> Order, Genera submitted a Motion titled *Motion Submitting Information in Compliance with Resolution and Orders dated June 25, 2023, and July 14, 2023* ("July 25<sup>th</sup> Motion"). Therein, Genera submitted its responses to the ROI from the July 14<sup>th</sup> Order.<sup>2</sup> Additionally, Genera informed that it would supplement its responses to ROI Number 10(b) and ROI Number 10(e)(i) of the July 14<sup>th</sup> Order.<sup>3</sup>

5. In compliance with the July 14<sup>th</sup> Order and in accordance with the July 25<sup>th</sup> Motion, Genera respectfully submits **Exhibit 1** herein. **Exhibit 1** contains the supplemental information to ROI Number 10(b) and Number 10(e)(i) of the July 14<sup>th</sup> Order, thus supplementing Exhibit A of the July 25<sup>th</sup> Motion.

**WHEREFORE**, Genera respectfully requests that this Honorable Energy Bureau **take notice** of the above for all purposes; **accept** Genera's supplemental information in response to the July 14<sup>th</sup> Order, attached as **Exhibit 1**; and **deem** that Genera complied with the July 14<sup>th</sup> Order.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 2<sup>nd</sup> day of August 2023.

**ECIJA SBGB**  
PO Box 363068

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<sup>2</sup> See July 25<sup>th</sup> Motion, Exhibit A.

<sup>3</sup> *Id.*, ¶ 10.

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## CERTIFICATE OF SERVICE

We hereby certify that a true and accurate copy of this motion was filed with the Office of the Clerk of the Energy Bureau using its Electronic Filing System and that we will send an electronic copy of this motion to Joannely Marrero-Cruz, at [jmarrero@diazvaz.law](mailto:jmarrero@diazvaz.law); Maralíz Vázquez-Marrero, at [mvazquez@diazvaz.law](mailto:mvazquez@diazvaz.law); Margarita Mercado Echegaray, at [margarita.mercado@us.dlapiper.com](mailto:margarita.mercado@us.dlapiper.com); and Ana Margarita Rodríguez Rivera, at [ana.rodriguezrivera@us.dlapiper.com](mailto:ana.rodriguezrivera@us.dlapiper.com).

In San Juan, Puerto Rico, this 2<sup>nd</sup> day of August 2023.

/s/ Alejandro López-Rodríguez  
Alejandro López-Rodríguez

Exhibit 1

GPR – PREB ROI – 07-14 – Supplemental Response

Docket Number: NEPR-MI-2021-0004  
 In Re: Review of LUMA’s Initial Budgets  
 Re: Supplemental Response to July 14, 2023 Order

**10. Assessment of NME Expenditures**

(b) What FY 2024 budget levels are required to complete the Planned Maintenance and Critical Component Replacement Program established in the Generation Fleet Outage Schedule?

**GPR – PREB ROI – 07-14 #10(b)**

(b) The FY 2024 Planned Maintenance and Critical Replacement Program established in the Generation Fleet Outage Schedule require the following funding:

Cost	Category	Concept	Explanation
\$42mm	NME <sup>1</sup>	Outages	Outages for maintenance or major repairs are required by the Consent Decree and to maintain the units in operation, respectively.
\$32.5mm	NME	Contracts	LTSA - Required by the OEM to provide maintenance services for their equipment on a fixed-price basis.  SJ 5&6 manufacturing surcharge – Reimbursement of capital expense pursuant to FSPA

<sup>1</sup> For this table, NME means activity and expense included in the \$134mm approved NME budget.

			between PREPA and NFEnergía, LLC.
\$15mm	NME	Non-Outage Projects	Projects that do not require an outage to complete (i.e. fuel loading arm rehabilitation).
\$15.5mm	NME	Blankets	Funds to purchase materials to be used in multiple units or sites (i.e. battery banks).
\$29mm	NME	Procurement	Funds to purchase materials needed for a project (i.e. valves).
\$77.8mm <sup>2</sup>	Not budgeted in the approved FY24	Critical Component Replacement	Replace components that are necessary to maintain reliable service. Genera has identified that these are the components that fail the majority of the time after constant repairs.

Genera is in the process of evaluating potential sources of federal funding to complete the Critical Component Replacement Program. For the Critical Component Replacement Program, see **GPR – PREB ROI – 07-14 #10(b)(i)**. The process of assessing these costs is ongoing.

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<sup>2</sup> Genera has created a forecast to replace critical components for FY24 and FY25, with estimated costs of \$41.8 million for FY25. If federal funding cannot be secured for these costs, Genera will include them in the upcoming rate case for evaluation by PREB.

10.

- i. What will be the expected forced outage % at the end of calendar year 2024? How does that compare to the current forced outage %?

**GPR – PREB ROI – 07-14 #10(b)(i)**

- i. The current forced outage factor has been estimated at 32%. With the implementation of the FY24 Planned Maintenance and Critical Component Replacement Program, it is forecasted that the forced outage will be reduced to 15%. See **GPR – PREB ROI – 07-14 #10(b)**, submitted on July 25, 2023 to PREB.



GPR - PREB ROI - 07-14 #10(b)(i)

(Native version to be submitted via email)

FY2024 | Genera PR | Critical Replacement Program parts

	Name of the Plant	Description / Specifications	Code	Vendor	Vendor Part Number	Unit	Required	Total Cost	Lead Time	Quantity	Quantity in	Purchase Price	Purchase	Storage	Quantity in stock	Quantity to be Ordered	Final Cost
1	Costa Sur 5&6/Aguirre 1&2	Air heater baskets (cold and hot)	101-89710 / 10189728	SERPAGA		\$ 1,500,000	3	\$4,500,000	26 weeks		1	\$ 1,345,750		In Process / RFQ 57613		3	\$ 4,500,000
2	Costa Sur 5&6/Aguirre 1&2	Condensing Circulating Water Pump Vertical motor 1000HP, 4000/146	N/A	HYOSUNG		\$ 848,100	9	\$7,632,900	28 weeks		2		10/21/2022	In Process / CR 252638		9	\$ 7,632,900
3	Costa Sur 5&6/Aguirre 1&2	Main Condensing Pump Vertical motor 500HP, 4000 / 66	N/A	Allis - Chalmers		\$ 502,355	8	\$4,018,840	28 weeks		1		10/21/2022	In Process / CR 255079		8	\$ 4,018,840
4	Costa Sur 5&6/Aguirre 1&2	Boiler Circulating Water Pump Vertical Motor 700 HP, 4000/90	N/A	General Electric		\$ 198,000	12	\$2,376,000	28 weeks		1		10/21/2022	In Process / CR 252637		12	\$ 2,376,000
5	Costa Sur 5&6/Aguirre 1&2	Boiler Feed Pump Horizontal Motor 4500HP	N/A	TECO Westinhouse / General Electric		\$ 397,721	8	\$3,181,768	28 weeks	1		\$ 397,721	7/1/2022	In Process / PO 96527 /		7	\$ 2,784,047
6	Costa Sur 5&6/Aguirre 1&2	IDF Horizontal Motor 1750HP, 4000/580	N/A	TECO Westinhouse / General Electric		\$ 445,000	8	\$3,560,000	28 weeks				10/21/2022	In Process / CR252640		8	\$ 3,560,000
7	Palo Seco 3&4	Air Heaters		SERPAGA		\$ 750,000	1	\$750,000	28 weeks							1	\$ 750,000
8	Palo Seco 3&4	Hydrogen cooler		Siemens Energy		\$ 870,000	2	\$1,740,000	20 weeks							2	\$ 1,740,000
9	Palo Seco 3&4	Turning Gear Assembly		Siemens Energy		\$ 300,000	1	\$300,000	30 weeks							1	\$ 300,000
10	Palo Seco 3&4	Set of open and close hardware - honeycomb seats, etc.		Siemens Energy		\$ 3,500,000	1	\$3,500,000	30 weeks							1	\$ 3,500,000
11	Costa Sur 5&6	Traveling screens		Tetra Tech		\$ 1,000,000	5	\$5,000,000	52-60 weeks							5	\$ 5,000,000
12	Aguirre	Traveling screens		Tetra Tech		\$ 1,000,000	5	\$5,000,000	52-60 weeks							5	\$ 5,000,000
13	Palo Seco 3&4	Reduction station atemperatures		EPS		\$ 60,000	2	\$120,000	26-30 weeks							2	\$ 120,000
14	Palo Seco 3&4	Fixed screens		Alonso & Carus		\$ 85,000	7	\$595,000	28-32 weeks							7	\$ 595,000
15	Palo Seco 3&4	Fuel pump		Power Equipment		\$ 80,000	2	\$160,000	16-20 weeks							2	\$ 160,000
16	Palo Seco 3&4	Breakers 480 & 4160		Allied Power Technologies		\$ 500,000	1	\$500,000	38-42 weeks							1	\$ 500,000
17	Palo Seco 4	Recirculating valves		Control Associates		\$ 80,000	2	\$160,000	36 Weeks							2	\$ 160,000
18	Palo Seco 3&4	Acid pumps P3 and P4		EPS		\$ 50,000	2	\$100,000	36 weeks	1	1	\$41,554		In Process/ MR-797993		1	\$ 50,000
19	Palo Seco 3&4	Boiler and burners recirculation valves		Control Associates		\$ 17,000	2	\$34,000	8 Weeks	2	2	\$15,970		In Process/99615		2	\$ 34,000
20	Palo Seco 3&4	Spill over, cold reheat & superheater turbine seal steam valves		Control Associates		\$ 170,000	2	\$340,000	40 weeks							2	\$ 340,000
21	Palo Seco Lab.	Demi 4 tank inlet regulation valve		EPS		\$ 98,000	1	\$98,000	25 weeks							1	\$ 98,000
22	San Juan 5 & 6	GT compressor wash		Rochem		\$ 500,000	2	\$1,000,000	40-44 weeks							2	\$ 1,000,000
23	San Juan 7	Circulating pumps				\$ 36,000	2	\$72,000	52-60 weeks							2	\$ 72,000
24	San Juan 5,6,7	Traveling screens		Beaudrey		\$ 1,000,000	1	\$1,000,000	52-60 weeks							1	\$ 1,000,000
25	San Juan 9	Traveling screens		Beaudrey		\$ 1,000,000	1	\$1,000,000	52-60 weeks							1	\$ 1,000,000
26	San Juan 9	Recirculating fan duct and GRF				\$ 2,000,000	1	\$2,000,000	38-42 weeks							1	\$ 2,000,000
27	San Juan 7	cooling tower				\$ 2,040,000	1	\$2,040,000	52-60 weeks							1	\$ 2,040,000
28	Aguirre CC 2-3	GT compressor rotor		General Electric		\$ 6,360,000	1	\$6,360,000	52-60 weeks							1	\$ 6,360,000
29	Aguirre CC 2-3	Turbine section Stage 1, 2 & 3		General Electric		\$ 1,000,000	1	\$1,000,000	28-32 weeks							1	\$ 1,000,000
30	Aguirre CC 2-3	Torque converter		General Electric		\$ 350,000	1	\$350,000	20-24 weeks							1	\$ 350,000
31	Aguirre CC 2-3	switch gears 4kv		Eaton		\$ 750,000	2	\$1,500,000	38-42 weeks							2	\$ 1,500,000
32	Aguirre CC	Condensing Circulating Water Pump				\$ 1,320,000	2	\$2,640,000	52-60 weeks							2	\$ 2,640,000
33	Aguirre CC	boiler feed pumps				\$ 1,080,000	2	\$2,160,000	52-60 weeks							2	\$ 2,160,000
34	Aguirre CC	cooling tower motors				\$ 33,600	10	\$336,000	12-16 weeks							10	\$ 336,000
35	Aguirre CC 2-3	generator breaker 13kv				\$ 600,000	1	\$600,000	38-42weeks							1	\$ 600,000
36	Aguirre CC 2-3	Exhaust duct				\$ 480,000	1	\$480,000	52-60 weeks							1	\$ 480,000
37	Cambalache 3	Fill shutoff valves		General Electric		\$102,000	1	\$102,000	16-20 weeks							1	\$ 102,000
38	Cambalache 3	Trip shutoff valve		General Electric		\$102,000	1	\$102,000	16-20 weeks							1	\$ 102,000
39	Cambalache 3	Nozzle valve		General Electric		\$90,000	1	\$90,000	16-20 weeks							1	\$ 90,000
40	Cambalache 3	leakage valve		General Electric		\$90,000	1	\$90,000	16-20 weeks							1	\$ 90,000
41	Cambalache 3	fuel control valve		General Electric		\$ 42,000	1	\$42,000	16-20 weeks							1	\$ 42,000
42	Cambalache	overhead crane				\$ 750,000	1	\$750,000	52-60 weeks							1	\$ 750,000
43	Cambalache	leak detection system - fuel transfer line				\$ 500,000	1	\$500,000	38-42 weeks							1	\$ 500,000
44	Cambalache	feedwater pump and motor				\$ 150,000	1	\$150,000	52-60 weeks							1	\$ 150,000
45	Cambalache	demin water resin				\$ 400,000	1	\$400,000	8-12 weeks							1	\$ 400,000
46	Cambalache 2,3	steam bypass valve				\$ 336,000	2	\$672,000	32-36 weeks							2	\$ 672,000
47	Cambalache 2,3	steam release valve				\$ 132,000	2	\$264,000	32-36 weeks							2	\$ 264,000
48	Cambalache	fire protection system				\$ 300,000	1	\$300,000	10-14 weeks							1	\$ 300,000
49	Cambalache	generator breaker 13kv				\$ 500,000	1	\$500,000	20-24 weeks							1	\$ 500,000
50	Cambalache	DCS				\$3,000,000	1	\$3,000,000	52-60 weeks							1	\$ 3,000,000
51	Cambalache	high speed control				\$ 1,000,000	1	\$1,000,000	20-24 weeks							1	\$ 1,000,000
52	Cambalache 2,3	safety valve				\$ 35,000	4	\$140,000	32-36 weeks							4	\$ 140,000
53	Cambalache 1,2 y3	Starting Frequency Converter Transformer		Ferranti Packard		\$ 70,000	1	\$70,000	52-62 weeks							1	\$ 70,000
54	Mayaguez	Fuel skid pumps	Goulds Mod. 3196 size 2x3-10	EPS		\$ 15,000	1	\$15,000	9 weeks							1	\$ 15,000
55	Mayaguez	Fuel skid solenoid valves	R.G. Laurence Valve, 150#, 3"	ARG		\$ 15,000	2	\$30,000	12 weeks							2	\$ 30,000
56	Mayaguez	Fuel Transfer valve				\$ 10,000	1	\$10,000	8-12 weeks							1	\$ 10,000
57	Mayaguez	Clutch removal kit	VQCT1124-172-KIT	ARG		\$ 30,000	5	\$150,000	4 weeks							5	\$ 150,000
58	Mayaguez	DCS	MICRONET PLUS END OF LIFE CONTROL SYSTEM	ARG		\$3,230,000	1	\$3,230,000	34 weeks							1	\$ 3,230,000
59	Mayaguez	Demin RO system pump	Grundfos, Type: BMB95-8			\$ 150,000	2	\$300,000	16-20 weeks							2	\$ 300,000
60	Mayaguez	EDI system	Ionpure VNX55EP-2	Allied Power Technologies		\$ 25,000	2	\$50,000	10 weeks							2	\$ 50,000
61	Mayaguez	PI-DAS System	Continuous Emissions Monitoring and Reporting	LT Automation		\$ 140,000	1	\$140,000	20-24 weeks							1	\$ 113,450
<b>Total</b>																<b>FY 2024</b>	<b>\$77,827,237</b>

FY2025 | Genera PR | Critical Replacement Program parts

	Name of the Plant	Description / Specifications	Code	Vendor	Vendor Part Number	Unit	Required	Total Cost	Lead Time	Quantity	Quantity In	Purchase Price	Purchase	Storage	Quantity in stock	Quantity to be Ordered	Final Cost	
1	Costa Sur 5&6/Aguirre 1&2	Boiler feed water pumps	210-28950	Siemens Energy		\$2,000,000	6	\$12,000,000	52 weeks	2		\$ 1,699,000	9/15/2021	In Process / PO 95750 /	4		\$ 8,000,000	
2	Costa Sur 5&6	Feedwater Heaters 6	N/A	YUBA Heat Exchange		\$1,500,000	2	\$3,000,000	52 weeks						2		\$ 3,000,000	
3	Costa Sur 5&6	Feedwater Heaters 7	N/A	YUBA Heat Exchange		\$2,400,000	2	\$4,800,000	52 weeks						2		\$ 4,800,000	
4	Costa Sur 5&6/Aguirre 1&2	Continuous Condenser Wash	N/A	General Electric		\$ 500,000	1	\$500,000	52 weeks						1		\$ 500,000	
5	Aguirre 1	Feedwater Heaters 7		YUBA Heat Exchange		\$3,000,000	1	\$3,000,000	52 weeks						1		\$ 3,000,000	
6	Aguirre 2	Feedwater Heaters 3		YUBA Heat Exchange		\$3,000,000	2	\$6,000,000	52 weeks						2		\$ 6,000,000	
7	San Juan 5 & 6	GT fully bladed rotor		Mitsubishi Power		\$9,000,000	1	\$9,000,000	72 weeks						1		\$ 9,000,000	
8	Palo Seco 3&4	Deareator pump		Flowsolve (Worthington)		\$ 500,000	1	\$500,000	59 weeks	1	1	\$457,387		In Process/ MR-803697	1		\$ 500,000	
9	Palo Seco 3	Water heater 5		Struthers		\$2,000,000	1	\$2,000,000	52-60 weeks						1		\$ 2,000,000	
10	Palo Seco 3&4	Deareator pump recirculation valves		AGI Specialty Valves		\$ 90,000	2	\$180,000	42 Weeks						2		\$ 180,000	
11	Palo Seco 3&4	Feedwater heaters & Boiler lead valves actuators		Enysa		\$ 20,000	10	\$200,000	45 Weeks						10		\$ 200,000	
12	San Juan 5	Continuous Condenser Wash		RG Engineering		\$2,400,000	1	\$2,400,000	40 weeks						1		\$ 2,400,000	
13	San Juan 7	Continuous Condenser Wash		RG Engineering		\$2,400,000	1	\$2,400,000	52-60 weeks						1		\$ 2,400,000	
<b>Total</b>																	<b>FY 2024 and 2025 Total</b>	<b>\$41,980,000</b>
																	<b>FY 2024 and 2025 Total</b>	<b>\$119,807,237</b>