

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

IN RE: 10-YEAR PLAN FEDERALLY
FUNDED COMPETITIVE PROCESS

CASE NO.: NEPR-MI-2022-0005

SUBJECT: Resolution and Order regarding the Bi-Monthly Reports on the Status of Emergency Generation and Black-Start Generation Procurement for the Periods from July 15 to July 31, 2023 and August 1 to August 15, 2023, filed by Genera PR, LLC.

RESOLUTION AND ORDER

On July 13, 2023, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order whereby it determined that, given the *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* ("LGA OMA") and the transition of responsibilities assumed on July 1, 2023, Genera PR, LLC ("Genera") was the sole entity responsible for managing, leading, and deciding on matters pertaining the Black Start and Peaking Units being procured in requests for proposals 3784 and RFP 3800 ("RFPs"). The Energy Bureau warned Genera that, as these are ongoing RFPs in advanced stages, it must move forward with completing this process without delay. The Energy Bureau further warned Genera it could not issue new RFPs nor amend existing RFPs, unless a duly justified request to that effect was approved by the Energy Bureau. In addition, the Energy Bureau ordered the Puerto Rico Electric Power Authority ("PREPA") to transfer on or before Thursday, July 20, 2023 all documentation related to the RFPs to Genera's designated representatives.

On July 17, 2023, the Energy Bureau reiterated that Genera was the sole entity responsible for managing, leading, and deciding on the Black Start units and Peaking units being procured in RFPs 3784 and 3800, respectively. The Energy Bureau further clarified that, as part of its responsibilities assumed on July 1, 2023, Genera was responsible for the operation and maintenance of the four (4) new Black Start Units replacing four (4) legacy generation assets (peaking units) listed in Annex I of the LGA OMA¹ and the seven (7) additional peaking facilities approved as part of the Optimization Proceeding (Case No.: NEPR-MI-2020-0016)² to optimize the development of the Minigrids strategy contemplated in the Proposed IRP.³ The Energy Bureau also warned that any PREPA transaction shall be conducted in accordance with the Public Private Partnership's establishment process in Act No. 29-2009.³

Pursuant to its obligations under the LGA OMA, on August 1, 2023, Genera, as agent of PREPA, filed before the Energy Bureau the Bi-Monthly Report on the Status of Emergency Generation and Black-Start Generation Procurement for the Period from July 15 to July 31, 2023 ("August 1 Motion").

On August 16, 2023, Genera, as agent of PREPA, filed before the Energy Bureau the Bi-Monthly Report on the Status of Emergency Generation and Black-Start Generation Procurement for the Period from August 1 to August 15, 2023 ("August 16 Motion").

¹ Costa Sur GT Unit 1, Costa Sur GT Unit 2; Yabucoa CT Unit 1; and Yabucoa CT Unit 2.

² See Final Resolution and Order on the Puerto Rico Electric Power Authority's Integrated Resource Plan, In re: Review of the Puerto Rico Electric Power Authority Integrated Resource Plan, Case No. CEPR-AP-2018-0001, August 24, 2020 ("IRP Order").

³ See Section 5(a) of the *Puerto Rico Electric Power System Transformation Act* ("Act 120-2018").



The Energy Bureau **TAKES NOTICE** of the August 1 and August 16 Motions. The Energy Bureau **GRANTS** confidential designation and treatment to Exhibit A of the August 1 and August 16 Motions, as requested by Genera.

The changes proposed by Genera in Exhibit A of the August 16 Motion are consistent with the IRP Order. Hence, the Energy Bureau **ALLOWS** the RFPs process to continue in the manner described by Genera in Exhibit A of the August 16 Motion. The Energy Bureau **ORDERS** Genera to submit the draft RFP for its review and approval **within ten (10) days of the notification of this Resolution and Order**. The Energy Bureau **WARNS** Genera that the Commercial Operation Date (“COD”), as per established in the *pro forma* contract as part of PREPA’s RFPs, will remain unaltered. Therefore, the Energy Bureau **CAUTIONS** Genera that noncompliance with this Resolution and Order will result in the imposition of fines pursuant to Article 6.36 of Act 57-2014.⁴ As such, in this case, the Energy Bureau will impose a fine of **twenty-five thousand dollars (\$25,000) per day of non-compliance** until compliance is achieved.

The Energy Bureau **ORDERS** Genera to ensure that federal funds are not debarred and that applicable requirements are met.

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 certify that the majority of the members of the Puerto Rico Energy Bureau agreed on August 23, 2023. Also certify that on August 23, 2023, I have proceeded with the filing of this Resolution and Order and was notified by email to mvazquez@diazvaz.law; jmarrero@diazvaz.law; legal@genera-pr.com; regulatory@genera-pr.com; jfr@sbgblaw.com; alopez@sbgblaw.com. I also certify that on August 23, 2023, I have moved forward with filing the Resolution and Order issued by the Puerto Rico Energy Bureau.

For the record, I sign in San Juan, Puerto Rico, today, August 23, 2023.


Sonia Seda Gaztambide
Clerk

⁴ Puerto Rico Energy Transformation and RELIEF Act, as amended (“Act 57-2014”).

