

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

NEPR Received: Sep 1, 2023 6:36 PM

IN RE:

10 YEAR PLAN FEDERALLY FUNDED
COMPETITIVE PROCESS

CASE NO.: NEPR-MI-2022-0005

SUBJECT: Motion to Submit Bi-monthly Report on the Status of Emergency Generation and Black-Start Generation Procurement for August 16 to August 31, 2023, and to Request Extension of Time

MOTION TO SUBMIT BI-MONTHLY REPORT ON THE STATUS OF EMERGENCY GENERATION AND BLACK-START GENERATION PROCUREMENT FOR THE PERIOD OF AUGUST 16 TO AUGUST 31, 2023, AND TO REQUEST EXTENSION OF TIME

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW GENERA PR LLC (“Genera”), as agent of the Puerto Rico Electric Power Authority (“PREPA”),¹ through its counsels of record, and respectfully submits and prays as follows:

1. On November 10, 2022, PREPA filed a confidential letter under seal to the Puerto Rico Energy Bureau of the Public Service Regulatory Board (“Energy Bureau”) titled *Request for Approval to Proceed with Request for Proposals (“RFP”) for the New Black-Start Systems at Costa Sur and Yabucoa*, seeking approval for the launch of a Request for Proposal (“RFP”) for black-start generation units at Yabucoa and Costa Sur. The filing included a draft RFP for the black-start units, separate technical specifications for an Engineering, Procurement, and Construction contract, and draft contract forms for each location.

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

2. On December 5, 2022, the Energy Bureau issued a Resolution and Order titled *Resolution and Order regarding Motion Requesting Expedited Approval of the RFP Process for the New Black-Start Systems at Costa Sur and Yabucoa, filed by the Puerto Rico Electric Power Authority* approving PREPA's request of November 10, 2022, for an RFP process to procure black-start systems at Costa Sur and Yabucoa (“RFP 3784”).

3. On December 29, 2022, PREPA submitted to the Energy Bureau a confidential letter regarding a *Request for Approval to Proceed with Request for Proposals for New Emergency Generation Units at Jobos, Daguao and Palo Seco*. The request concerned an RFP for up to 50 MW at the Jobos site, up to 60 MW at the Daguao site, and up to 90 MW of generation at the Palo Seco site.

4. On January 23, 2023, the Energy Bureau issued a Resolution and Order titled *Determination for the Project Application Package for the Seven (7) Additional Peakers to be used as Emergency Generation* (“January 23rd Order”) through which it conditionally approved PREPA's RFP process for the procurement of emergency generation at Jobos, Daguao, and Palo Seco (“RFP 3800”). This approval was subject to various conditions, including that PREPA would report to the Energy Bureau on the status of emergency generation and black-start generation procurement, including interconnection study assumption consistency between contractors, at bimonthly intervals for the first year and quarterly intervals thereafter until installation.²

5. Effective as of July 1, 2023, responsibility for O&M Services for the Legacy Generation Assets transitioned from PREPA to Genera, in accordance with the provisions of the LGA OMA. From that point forward, Genera has assumed exclusive responsibility for managing, leading, and deciding on RFP 3784 and RFP 3800 matters. The Energy Bureau recognized and

² See January 23rd Order, p. 5.

affirmed this shift in responsibilities in their Resolutions and Orders dated July 13, 2023,³ and July 17, 2023.⁴

6. On August 16, 2023, Genera, acting as agent for PREPA, submitted a detailed report to the Energy Bureau covering August 1 to August 15, 2023 regarding the status of emergency generation and black-start generation procurement (“August 16th Motion”). The report also included recommendations for changes to the RFP processes, which Genera affirmed could lead to significant cost savings and a reduction in time.

7. 9. On August 23, 2023, the Energy Bureau issued a Resolution and Order titled 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* (“August 23rd Order”). Pursuant to this order, the Energy Bureau (i) **allowed** the RFP process to continue in the manner described by Genera in Exhibit A of the August 16th Motion and (ii) **ordered** Genera to submit a draft RFP for review and approval within ten days of the notification of the August 23rd order, which was September 4, 2023.

8. Genera has been working diligently to meet the deadline established in the August 23rd Order. However, the process of acquiring equipment, which is the main focus of the RFP to be presented to the Energy Bureau, is complex due to the sheer scale of the project and the updates that need to be made to the bid package. Given the complexity of the process, Genera respectfully requests until September 8, 2023, to comply with the August 23rd Order. This request is made in good faith and the best interest of the customers. Further, this request for extension will not affect the projected commercial operation date of the units.

³ See, Resolution and Order, *In re: 10-Year Plan Federally Funded Competitive Process*, Case No.: NEPR-MI-2022-0005, July 13, 2023 (July 13th Resolution).

⁴ See, Resolution and Order, *In re: 10-Year Plan Federally Funded Competitive Process*, Case No.: NEPR-MI-2022-0005, July 17, 2023 (July 17th Resolution).

9. Notwithstanding, in compliance with the January 23rd Order, Genera hereby submits a redacted document titled *Bi-Weekly Report – Period of August 16 – 31, 2023*, attached as *Exhibit A* herein, detailing Genera’s recent progress from August 16 to August 31, 2023, regarding the RFPs process.

WHEREFORE, Genera respectfully requests the Energy Bureau to **take notice** of the above for all purposes; **grant** Genera an extension of time, until September 8, 2023, to submit the draft RFP in compliance with the August 23rd Order; and to **deem** Genera in compliance with the January 23rd Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 1st day of September 2023.

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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 the attorney for Puerto Rico's Electric Power Authority, Joannely Marrero-Cruz, at jmarrero@diazvaz.law; and Maralíz Vázquez-Marrero, at mvazquez@diazvaz.law.

In San Juan, Puerto Rico, this 1st day of September 2023

/s/ Alejandro López-Rodríguez
Alejandro López-Rodríguez

Exhibit A
Bi-Weekly Report – August 16 – 31, 2023

Docket Number: NEPR-MI-2022-0005

In Re: 10 Year Plan Federally Funded Competitive Processes

Re: Bi-weekly Report for August 16 – 31, 2023

The following is a list of the activities and most significant events that happened in the last two weeks regarding the Project:

- August 23, 2023 – Received order from PREB approving approach to revisions to RFP and Project
- Kicked off the new project approach with the primary consultant
- Held several meetings with the primary consultant to discuss the methodology and bid package documents that need to be revised
- Held various meetings with COR3 to discuss Project and pending actions
- Evaluated the market options for the technologies that could participate in the RFP to confirm the availability of grid support services and lead times
- Reviewed several equipment configurations and layouts at each site
- Developed a list of additional requirements and features needed in new equipment specification
- Held multiple internal meetings to discuss alignment with future Grid Support Services projects
- Began working with revisions to statement of work, cost estimate and RFP package documents to align with the new approach