

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

NEPR

Received:

Nov 10, 2023

11:38 AM

IN RE:

GENERA PR LLC FUEL OPTIMIZATION
PLAN

CASE NO.: NEPR-MI-2023-0004

SUBJECT: Motion Submitting Response to
Resolution and Order Dated October 19, 2023

**MOTION SUBMITTING RESPONSE TO RESOLUTION AND ORDER DATED
OCTOBER 19, 2023**

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 July 18, 2023, the Energy Bureau issued a Resolution and Order titled *Commencing Procedure to Evaluate GENERA PR LLC Fuel Optimization Plan* (“July 18th Order”), whereby, among other things, the Energy Bureau commenced Case No. NEPR-MI-2023-0004 to review the Fuel Optimization Plan required by the LGA OMA. In the July 18th Order, the Energy Bureau ordered Genera to file a final version of the Fuel Optimization Plan agreed upon with P3 Authority and emphasized that the Fuel Optimization Plan must be fully compliant with PREPA’s approved Integrated Resource Plan (“IRP”).

2. After several procedural matters, on September 15, 2023, Genera submitted a document titled *Motion to Submit Genera’s Revised Fuel Optimization Plan in Compliance with*

¹ 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 (“P3 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.

Resolution and Order Dated July 18, 2023 (“September 15th Motion”), which included its revised Fuel Optimization Plan (“Fuel Optimization Plan”). This Fuel Optimization Plan approved by the P3 Authority, was submitted for the approval of the Energy Bureau. The Fuel Optimization Plan outlines the Fuel Cost Savings Initiatives and expected methods for achieving estimated fuel savings during the LGA OMA term.

3. On October 19, 2023, the Energy Bureau issued a Resolution and Order titled *Requirement of Information to GENERA – Evaluation of Genera Fuel Optimization Plan* (“October 19th Order”). Regarding the analysis of the Fuel Optimization Plan, the Energy Bureau noted in the October 19th Order that:

“The Energy Bureau's expectation of the Fuel Optimization Plan is that it describes each and all specific initiatives that Genera, in the exercise of its expertise, created, as well as the method and expected savings for the purchase of fuel. Consistent with the [LGA OMA], any savings related to Federal programs or market conditions are not savings used to trigger or calculate the incentive payment.”

4. In the October 19th Order, the Energy Bureau further discussed its analysis of Genera’s Fuel Optimization Plan, stating that “[t]o ascertain the prudence of the Fuel Optimization Plan as it related to the LGA OMA, the requirements listed in the July 18th Order, and applicable laws and regulation of the Government of Puerto Rico, the Energy Bureau determines that supporting material is needed to allow the Energy Bureau to fully assess Genera’s Fuel Optimization Plan”. Consequently, the Energy Bureau ordered Genera to respond, on or before October 27, 2023, at 12:00 PM, to the Requirements of Information ("ROI") outlined in Attachment A to the October 19th Order.

5. On October 26, 2023, Genera filed a Motion titled *Motion Requesting Extension of Time to Comply with the October 19 Order*, through which Genera informed the Energy Bureau that due to the complexity and the amount of required information on the October 19th Order,

Genera required an additional two-week extension, until November 10, 2023, to respond to the ROI. The Energy Bureau, through a Resolution and Order issued on October 31, 2023 (“October 31st Resolution”), granted Genera’s request for extension and ordered Genera to respond by November 10, 2023, at 12:00 PM, to the ROI as detailed in Attachment A of the October 19th Order.

6. On November 9, 2023, Genera filed a document titled *Urgent Request for Extension of Time to Submit Partial Response in Compliance with Resolution and Order Dated October 19, 2023* (“November 9th Request for Extension”). Through this Request, Genera informed the Energy Bureau that, while it has been diligently working to produce the response for all the ROI and questions under the initiatives outlined in Attachment A of the October 19th Order, it requires, and is thus urgently requesting, an extension of time, until November 16, 2023, to provide the response pertaining to the ROI items under *Initiative 8: Fuel Efficiency Projects*.

7. In light of the above, Genera, in compliance with the October 19th Order and the October 31st Resolution, and in accordance with the November 9th Request for Extension, hereby submits its response to the ROI detailed in Attachment A of the October 19th Order as Exhibit A to this motion, excluding the pending ROI response for *Initiative 8: Fuel Efficiency Projects*.

WHEREFORE, Genera respectfully requests that the Energy Bureau **take notice** of the above for all purposes and **deem** Genera to be in partial compliance with the October 19th Order as it pertains to the ROI, the response to which is included herein as *Exhibit A*.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 10th day of November 2023.

ECIJA SBGB
PO Box 363068
San Juan, Puerto Rico 00920
Tel. (787) 300.3200
Fax (787) 300.3208

/s/ Jorge Fernández-Reboredo
Jorge Fernández-Reboredo
jfr@sbgblaw.com
TSPR 9,669

/s/ Alejandro López-Rodríguez
Alejandro López-Rodríguez
alopez@sbgblaw.com
TSPR 22,996

/s/ Joaquín M. Lago González
Joaquín M. Lago González
jlago@sbgblaw.com
TSPR 20,678

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.

In San Juan, Puerto Rico, this 10th day of November 2023

/s/ Alejandro López Rodríguez
Alejandro López Rodríguez

Exhibit A
GPR – PREB ORDER– 10.19.2023

Docket Number: NEPR-MI-2021-0004

In Re: Review of LUMA's Initial Budgets

Re: Response in Compliance with the October 19, 2023, Order regarding the Fuel Optimization Plan

Order:

General

GPR – PREB ORDER – 10.19.2023 #1

1. Using FY2023 data, provide a sample Fuel Optimization Report, pursuant to Annex II, Section III (B)(6) of the OMA.
 - a. Please provide a worksheet showing how the Actual Fuel Savings and Fuel Optimization Payment will be calculated.

Response: Please refer to document titled "GPR – PREB ORDER – 10.19.2023 #1 & #3".

GPR – PREB ORDER – 10.19.2023 #2

2. Provide the current Fuel Budget with all supporting documentation.

Response: Please refer to document titled GPR – PREB ORDER – 10.19.2023 #2.

GPR – PREB ORDER – 10.19.2023 #3

3. Referencing the table titled Genera PR Fuel Optimization Plan Acquisition/Optimization and Efficiency Initiatives. Please provide the worksheets, reports, and other reference materials used to calculate the estimated savings for all initiatives.

Response: Please refer to GPR – PREB ORDER – 10.19.2023 #1 & #3.

Initiative 1: Reduce the Fixed Premium for ULSD

GPR – PREB ORDER – 10.19.2023 #4(a)

4. The Fuel Optimization Plan (FOP) states diesel fuel is used as a backup fuel at the Aguirre, San Juan, Palo Seco, and Costa Sur steam plants, and as a primary fuel at all emergency generators. The plan also states that prior to the Fall 2022 State Implementation Plan (SIP) that PREPA filed with the U.S. Environmental Protection Agency (EPA), PREPA was using a combination of high sulfur and low sulfur content diesel fuel. The FOP states that prior to the Fall 2022 SIP, Palo Seco was the only steam plant utilizing Ultra-Low Sulfur Diesel (ULSD), and that with the SIP all the steam plants were transitioned to ULSD. The FOP further states that with expedited renegotiations of the fuel supply contract with Novum Energy Trading to supply ULSD at all the plants, the ULSD fixed price premium increased by \$3.00/bbl, for the fuel contract which had an original expiration of date of November 2022, but which was extended through November 2023.

- a. What was the ULSD fixed price premium stated in the Novum Energy Trading fuel supply agreement prior to the renegotiation, for ULSD supplied to Palo Seco and/or any other plant?

Response: In the Novum Energy Trading fuel supply agreement prior to renegotiation, the ULSD fixed price premium for ULSD supplied to Palo Seco and/or any other plant was \$7.70 for barge deliveries and \$9.90 for truck deliveries. It's important to note that these prices were contingent upon the diesel quality specified in the document titled "GPR – PREB ORDER – 10.19.2023 #4(d)".

GPR – PREB ORDER – 10.19.2023 #4(b)

- b. What was the ULSD fixed price premium stated in the Novum Energy Trading fuel supply agreement after the renegotiation?

Response: After renegotiation, the ULSD fixed price premium stated in the Novum Energy Trading fuel supply agreement was \$10.60 per barrel for both barge and truck deliveries.

GPR – PREB ORDER – 10.19.2023 #4(c)

- c. What was the fixed price premium stated in the Novum Energy Trading fuel supply agreement prior to the renegotiation, for higher sulfur content diesel fuel supplied to any power plant in Puerto Rico?

Response: Please refer to answer GPR – PREB ORDER – 10.19.2023 #4(a).

GPR – PREB ORDER – 10.19.2023 #4(d)

- d. What is the sulfur content of ULSD, and what was the sulfur content of other diesel fuels delivered to PREPA prior to the Fall 2022 SIP?

Response: Please refer GPR – PREB ORDER – 10.19.2023 #4(d).

GPR – PREB ORDER – 10.19.2023 #4(e)

- e. In Genera's view, was the increase in the ULSD fixed price premium by \$3.00/bbl, due to the "expedited negotiations", or does ULSD carry a higher pricing premium than lower sulfur diesel fuels?

Response: The increases in the ULSD fixed price premium by \$3.00/bbl is due to the fact that ULSD carries a higher pricing premium compared to higher sulfur diesel fuels.

GPR – PREB ORDER – 10.19.2023 #4(f)

- f. Please provide any historical data in Genera's possession listing both market hub pricing and delivered to PREPA pricing for ULSD and for other sulfur content diesel fuels.

Response: Please refer to file GPR – PREB ORDER – 10.19.2023 #4(f).

GPR – PREB ORDER – 10.19.2023 #5

5. If the increased Fixed Price Premium for ULSD occurred as a result of expedited negotiations with a single fuel supplier, due to changes in the fuel quality requirements arising from the Fall 2022 SIP, please explain why Genera believes that is an appropriate pricing level to serve as the baseline future fuel cost savings resulting from a negotiated FY2024 (and beyond) fuel supply agreement for ULSD?

Response: Please refer to answer GPR-PREB ORDER– 10.19.2023 #4(e). This was not due to expedited negotiations; it is due to quality differences only (ULSD vs. High Sulfur).

GPR – PREB ORDER – 10.19.2023 #6

6. What other market mechanisms or pricing indices are available additional or alternative benchmarks to use in setting baseline ULSD fuel costs in Puerto Rico?

Response: An alternative benchmark for setting baseline ULSD fuel cost in Puerto Rico is the NYMEX Heating Oil Contract. Additionally, in Puerto Rico, other wholesale fuel markets, particularly those related to transportation demand for ULSD, often rely on pricing based on the NYMEX HO.

GPR – PREB ORDER – 10.19.2023 #7

7. Please explain the basis for Genera's estimated ULSD fixed price premium of \$7.75/bbl for the FY2024 fuel supply agreement currently under negotiation. Please provide background information and data used to support that estimate.

Response: Based on Puma's offered price in most current RFP for ULSD that was awarded. – Please refer to GPR – PREB ORDER – 10.19.2023 #7.

GPR – PREB ORDER – 10.19.2023 #8

8. What is the definition of the ULSD fixed premium currently negotiated for the current fiscal year 2023? Is the fixed premium definition for the new expected negotiated number for FY2024 the same as the current fiscal year 2023?

Response: The ULSD fixed premium for FY2023 and FY2024 are not explicitly defined in the RFPs. PREPA purchase price is composed of two factors: the escalator (ULSD posting reference) and a fixed premium. The fixed premium represents the supplier's costs associated with delivering the fuel to Puerto Rico, meeting the specified quality and quantities required in the contract.

GPR – PREB ORDER – 10.19.2023 #8(a)

a. From the provided definition(s), what items are fixed and what items are variable related to contracted volume purchase.

Response: The “premium / adder” is fixed, and the escalator is variable. The escalator is based upon an Argus and Platts posting reference; the full ULSD escalator is defined below. For avoidance of doubt, there is no variable factor based on volume in the fixed premium / adder.

- i. Fifty percent (50%) of ULSD fuel from the average of quotations for the “New York (Barge) ULSD” and “US Gulf Coast (Waterborne) ULSD” as published by the Platt's Oilgram Price Report; rounded to four (4) decimal places; plus
- ii. Fifty percent (50%) of ULSD fuel from the average of quotations for the “New York Waterborne ULSD” and “US Gulf Coast Waterborne ULSD62” as published by the Argus US Products rounded to four (4) decimal places.

GPR – PREB ORDER – 10.19.2023 #9

9. Palo Seco was the only plant requiring ULSD before the 2022 SIP. Provide the historical consumption of ULSD for each plant for the prior year before the SIP, 2022, 2023, and the projected forecast for 2024. Specify the timeframe of each contractual term/year.

Response: Please refer to document titled GPR – PREB ORDER – 10.19.2023 #9.

The timeframe of each contractual term/year is the following:

- Puma ended November 17, 2021,
- Novum started November 17, 2021, and ended November 17, 2023.

GPR – PREB ORDER – 10.19.2023 #10

10. Does Genera expect to receive Fuel Optimization Payment regarding this Initiative for the first year of implementation of the initiative, for a limited number of years after implementation of the Initiative, or for the life of the Genera contract once implemented?

Response: Genera anticipates receiving a payment for this initiative for the life of the Genera contract once implemented.

Initiative 2: Fuel Reliability Enhancements For ULSD

GPR – PREB ORDER – 10.19.2023 #11(a)

11. Regarding the savings estimate:

- a. Are the estimated savings for FY2024 of \$6.2 million based only on the diesel contract renegotiation in November 2023?

Response: Yes, there are estimated savings for FY2024 of \$6.2 million based only on the diesel contract renegotiation in November 2023.

GPR – PREB ORDER – 10.19.2023 #11(b)

- b. Otherwise, are the estimated savings for FY2024 of \$6.2 million based on the current power plants' lack of additional diesel storage?
- i. If the response to (b) is no, how much additional storage capacity does Genera need to avoid the need for a second barge of 50,000 barrels? Would Genera provide this working capacity through its own assets/fuel storage, or would the fuel supplier provide this working capacity?
 - ii. If the response to b is yes, what are the risks of the lack of additional diesel storage in the power plants?

Response: No, the estimated savings of \$6.2 million for FY2024 are not due to the current limited additional diesel storage capacity. In the FY2024 ULSD contract negotiation, Genera secured an agreement with the supplier to provide additional working capacity. This involves a minimum stock reserve of 100,000 barrels at their storage location in Puerto Rico, with the option for Genera to increase it to 150,000 barrels upon request. Therefore, the cost of the second (additional) barge is no longer required. The estimated cost of the second barge is \$6.2 million a year.

GPR – PREB ORDER – 10.19.2023 #11(c)

- c. What are the costs and timing (e.g., tanks rehabilitation and contract renegotiation) of the implementation measures required to achieve the savings of \$6.2 million dollars for FY2024?
- i. Will this amount reduce the calculated savings?

Response: There are no additional costs, and the timing is immediate. The \$6.2 million reflects the elimination of the second barge that is in use right now for ULSD and being paid by PREPA. This \$6.2 million is in addition to the current fixed premium under the FY2023 supply contract with NOVUM (i.e., it is *not* reflective in the Novum \$10.60 adder, it is an additional fee currently being paid by PREPA).

GPR – PREB ORDER – 10.19.2023 #11(d)

d. Would this initiative contribute to the reduction of the fixed premium?

Response: No. This initiative does not contribute to the reduction of the fixed premium because this was a separate cost that was being incurred by PREPA during the last 12 months.

GPR – PREB ORDER – 10.19.2023 #12(a)

12. Requests of information:

- a. Please provide the status of the November 2023 diesel negotiation contract and how it promotes participation and competition among the potential suppliers to achieve the forecast savings.

Response: The USLSD contract has been awarded and executed with PUMA (PR Energy LLC).

GPR – PREB ORDER – 10.19.2023 #12(b)

- b. What will be the effective date of the new contract to be negotiated in November 2023?

Response: The contract has already been executed and will be effective by November 17 or sooner.

GPR – PREB ORDER – 10.19.2023 #12(c)

- c. If the contract negotiation for diesel supply with the proposed terms is not achieved, please provide the strategy alternative for the proposed savings for FY2024.

Response: The contract has been executed and thus, Genera doesn't understand there is a need for a back-up plan. The plan is enforcement of the agreements. Nevertheless, if PREB understands that there is still a need for a back-up plan, Genera would respectfully request more details for the request so that it can produce a responsive alternative.

GPR – PREB ORDER – 10.19.2023 #12(d)

- d. There are currently 2 barges. What is the cost of the first barge? Will the requirement that the supplier use a minimum size barge (45,000–50,000 barrels) increase the cost of the first (and only) barge needed for this initiative?

Response: The supplier does not have to detail what the cost of their barge is, ensuring that the only barge is of 45,000 – 50,000 barrels does not increase the cost of the one and only barge.

GPR – PREB ORDER – 10.19.2023 #12(e)

- e. Will the estimated cost savings of \$6.2 million per year by removing the need for the second barge have a positive impact (i.e., reduction) in the ULSD fixed premium? If yes, what's the amount of the contributed reduction to the fixed premium?

Response: No, it will not reduce the adder. This will be a direct cost savings by not needing the second barge that is currently being paid by PREPA in addition to the current FY2023 adder.

GPR – PREB ORDER – 10.19.2023 #12(f)

- f. Will this initiative of increasing the minimum stock reserve of an additional 50,000 barrels for the relevant plants (or implementation of it) have a one- time (or other) adverse impact to the monthly deposits into the Genco Fuel Account?
- i. If the answer is yes, what's the cost to increase the reserve stocks? Has this increase been budgeted?

Response: This initiative of increasing the minimum stock reserve of an additional 50,000 barrels for the relevant plants (or implementation of it) will not have a one- time (or other) adverse impact to the monthly deposits into the Genco Fuel Account.

GPR – PREB ORDER – 10.19.2023 #13

13. Does Genera expect to receive Fuel Optimization Payment regarding this Initiative for the first year of implementation of the initiative, for a limited number of years after implementation of the Initiative, or for the life of the Genera contract once implemented?

Response: Genera expects to receive Fuel Optimization Payment regarding this initiative for the first year only upon implementation of the initiative.

Initiative 3: Change of Fuel Oil Escalator and Reduction of Fuel Oil Adder

GPR – PREB ORDER – 10.19.2023 #14

14. Has Genera considered diversifying the current fuel oil price reference to a more stable global fuel price to stabilize the escalator and reduce the adder? If yes, what alternate fuels have Genera considered?

Response: Yes, Genera has considered alternative pricing references such as:

- Platts Gulf Coast 0.5%
- Argus gulf coast fuel oil 0.5%
- Brent Crude oil future contract

GPR – PREB ORDER – 10.19.2023 #15

15. What are the factors that contribute to changes in value of adder and adder? Are these factors linked to commodity prices or commodity price volatility?

Response: Factors include cost of logistics assets (storage on and off island, vessel and barges) / cost of insurance / risk premium / demurrage costs / port fees / margin / general inflation and supplier's cost of capital. Yes, these factors are somewhat correlated to both commodity price and commodity volatility, these factors tend to increase with commodity prices and volatility go up, but not necessarily 100% correlated.

GPR – PREB ORDER – 10.19.2023 #16

16. Did Genera consider other fuel oil price indexes prior to selecting Brent Crude oil as a new crude oil escalator?

Response: Genera requested that potential suppliers provide alternative price indexes (escalators) in their bid submissions. Only one bidder provided an optional price index, and that index was Brent Crude Oil. While we did consider other options, we wanted the market to tell us their preference.

GPR – PREB ORDER – 10.19.2023 #16(a)

- a. Please provide the analysis supporting the conclusion that Brent Crude is the better choice for escalator. Include supporting documentation.

Response: Genera only received one offer basis Brent Crude Oil as an option, but the Project Committee found it to be less favorable compared to the offer based on Platts .5%, as indicated in the supporting documents titled “GPR – PREB ORDER – 10.19.2023 #16(a) & #20”

GPR – PREB ORDER – 10.19.2023 #17

17. Are the projected savings from different years after FY2024 calculated against FY2023 or against the previous year? That is, will the savings in FY26 be calculated relative to FY25 or to FY23?

Response: Future year savings will be based upon previous year. For example, FY2026 will be compared to FY2025.

GPR – PREB ORDER – 10.19.2023 #18

18. Regarding subsection (E) Implementation Timeline, what price values from the awarded supplier (based on Brent & Platts references) will decide if Genera switches from one reference to the other in the FY 2024 or FY 2025 RFP?

Response: This will depend upon market conditions at the time of the award decision. We will evaluate both historical and future market prices for each escalator + adder to determine the best pricing option to use at that time.

GPR – PREB ORDER – 10.19.2023 #19

19. Does Genera expect to receive Fuel Optimization Payment regarding this Initiative for the first year of implementation of the initiative, for a limited number of years after implementation of the Initiative, or for the life of the Genera contract once implemented?

Response: Genera expects to receive annual payments for the implementation of this initiative. However, in FY2024, there will be no reduction in the fuel oil adder, as the awarded supplier's adder is higher than what was in place in FY2023. Additionally, no adjustments have been made to the fuel oil escalator in FY2024, indicating no change in this regard.

GPR – PREB ORDER – 10.19.2023 #20

20. Using the example provided in Page 20-21 of the FOP, use FY2023 data and Genera's knowledge of historical supplier reported escalators + adder for the two postings referenced in the Initiative for the FY to provide an example of how the Fuel Optimization calculations will look like for the basis or the Fuel Optimization Report as determined in section d. on page 21.

Response: Please refer to attached document titled GPR – PREB ORDER – 10.19.2023 #16(a) & #20.

Initiative 4: Additional ULSD On-Site Reserve Capacity

GPR – PREB ORDER – 10.19.2023 #21

21. Would discontinuing the delivery of diesel via truck at the Cambalache Plant represent a reduction in availability at this generating plant? What measures will Genera take to maintain a reserve in its generating fleet with the capacity to cover the energy demand in this scenario?

Response: Yes. The only way to compensate for potential weather delay impacts on the marine delivery schedule, is to build or rehabilitate existing tankage so we can store more fuel on site. Genera is not planning on discontinuing truck deliveries.

GPR – PREB ORDER – 10.19.2023 #22

22. What will be the optimum storage capacity for ULSD to guarantee reliable operation in all plants?

Response: The optimum storage capacity for ULSD to guarantee reliable operation in all plants is 30 days.

GPR – PREB ORDER – 10.19.2023 #23

23. What needs to be done to return Tank D-2 to service? What is the estimated cost? Will this cost be netted out of calculated savings? If not, why not?

Response: Genera is finalizing cost and scope estimates. In addition, this project may be included as part of a future refurbishment of Cambalache unit #1, approved.

In any event, if capital costs would be paid from Genera's capital improvement budget (still determined if federally or non-federally funded). If its non-federally funded, costs would be netted from the savings.

GPR – PREB ORDER – 10.19.2023 #24

24. This initiative's implementation timeline is from the second half of FY2024 (December 2023) to the start of FY2025 (July 2024). Will the savings from this initiative be applied in FY2024.

Response: At this time, Genera believes this initiative will be delayed until FY2025 or later.

GPR – PREB ORDER – 10.19.2023 #25

25. What will be the funding sources for rehabilitating the Cambalache's D-2 tank and Palo Seco R-2 tank, and any other tank if applicable for FY2024?

Response: At this time, it is unclear where funds for Cambalache's tank work will come from, Genera anticipates that funds will come from future budgetary cycles. Palo Seco's R-2 maintenance tank work is currently being funded from FY2024 budget but the dollars to convert and retrofit the tank for ULSD service (from FO service) will have to come from future budgetary cycles.

GPR – PREB ORDER – 10.19.2023 #26

26. Does Genera expect to receive Fuel Optimization Payment regarding this Initiative for the first year of implementation of the initiative, or for a limited number of years after implementation of the Initiative, or for the life of the Genera contract once implemented?

Response: Once budgeted dollars have been approved and allocated to the specific project and the project is completed, Genera would expect to receive payment for that specific year only.

GPR – PREB ORDER – 10.19.2023 #27(a)

27. Requests of information:

- a. What is the 90% fill level ULSD storage capacity in barrels of Palo Seco's Reserve Tank #2 (R-2) and Cambalache's Service Tank# 2 (D-2)?

Response: D2 at Cambalache is 90% is 83,918.7 / working capacity is 82,826 barrels and Palo Seco's R2 (don't see an R2 but a D-2) 90% is 12,960.81 / working capacity is 12,385.9 barrels.

GPR – PREB ORDER – 10.19.2023 #27(b)

- b. Please provide Palo Seco's Reserve Tank #2 (R-2) and Cambalache's Service Tank# 2 (D-2) rehabilitation schedules.

Response: Those schedules have not been completed at this time.

GPR – PREB ORDER – 10.19.2023 #27(c)

- c. Please provide the service return estimated date for Palo Seco Reserve Tank #2 (R-2) and Cambalache Service Tank# 2 (D-2).

Response: Those dates have not been defined at this time.

GPR – PREB ORDER – 10.19.2023 #27(d)

- d. What will be the estimated capital investment for Palo Seco's Reserve Tank #2 (R-2) and Cambalache's D-2 tank?

Response: Genera is still waiting for final estimates.

GPR – PREB ORDER – 10.19.2023 #27(e)

- e. How would the “additional delivery cost (over barge delivery)” be calculated? In the example on page 22 it was presented as \$1.00/bbl.

Response: The contract with Puma for FY2024 has all truck delivered barrels at a \$1.00 per barrel more than marine barrels.

Initiative 5: Spot Purchase Option for Fuel Oil and ULSD

GPR – PREB ORDER – 10.19.2023 #28

28. Are there any additional costs associated with bringing on new suppliers in exercising the 25% spot volume clause outside of the per unit basis? Will there be any fees or penalties associated with exercising the spot volume clause?
- a. If so, are those costs incorporated in the cost savings per unit analysis?

Response: There are no fees or penalties associated with exercising the spot volume clause.

GPR – PREB ORDER – 10.19.2023 #29

29. Does Genera expect to receive Fuel Optimization Payment regarding this Initiative for the first year of implementation of the initiative, for limited number of years after implementation of the Initiative, or for the life of the Genera contract once implemented?

Response: Genera expects that there will be a payment every year that this initiative is implemented successfully.

Initiative 6: Price Risk Management

GPR – PREB ORDER – 10.19.2023 #30

30.How far out does Genera's fuel budget forecast go?

Response: June 2024.

GPR – PREB ORDER – 10.19.2023 #31

31. Does Genera modify the budget within the fiscal year based on future price movements?

Response: Genera does not modify the budget within the fiscal year based on future price movements.

GPR – PREB ORDER – 10.19.2023 #32

32. How does Genera include actual hedges in the budgetary process?

Response: The process has not been developed yet. Also, the fuel budget is prepared by the T&D System Operator.

GPR – PREB ORDER – 10.19.2023 #33

33. Is the 25% spot volume that is allowable to purchase with other suppliers in addition to or separate from the 30% volume that can be secured on forward contracting?

Response: The spot volume purchase initiative will be separate from any price risk management program.

GPR – PREB ORDER – 10.19.2023 #34

34. What percentage of the allowable 30% volume does Genera intend to cover during the budgetary process? How is the volume hedged determined?

Response: At this time, Genera has not developed a policy or framework that determines how Genera would price risk manage future fuel purchases during the budgetary process.

GPR – PREB ORDER – 10.19.2023 #35

35. Based on a 30% hedge volume target, how does Genera execute the hedges - all 30% at once, scaled in, etc.?

Response: At this time, Genera has not developed a policy or framework that determines how Genera would execute any price risk programs during a budgetary process.

GPR – PREB ORDER – 10.19.2023 #36

36. Why would Genera consider there to be savings if the hedges executed below budget end up being higher than the actual final settlement price?

Response: In the example described above Genera would only expect for savings to be considered if the executed hedges end up being below the budgetary numbers, net of any transaction costs.

GPR – PREB ORDER – 10.19.2023 #37

37. Would Genera consider there to be savings if the hedges executed via the Time-strategy end up being lower than the actual final settlement price?

Response: No. Genera does not consider that there will be savings if the hedges executed via the Time-strategy end up being lower than the actual final settlement price.

GPR – PREB ORDER – 10.19.2023 #38(a)

38. For the increased estimated savings associated with price risk management in further out Fiscal Years, are the estimated value increases tied to:

a. Higher usage volumes projected?

Response: No.

GPR – PREB ORDER – 10.19.2023 #38(b)

- b. A higher allowable hedge percentage (increased cap of what level is envisioned)?

Response: Partial.

GPR – PREB ORDER – 10.19.2023 #38(c)

c. An increase in price savings per unit?

Response: Partial.

GPR – PREB ORDER – 10.19.2023 #39

39.The SWAPS section seems to describe call option strategies that can be traded on both the Futures and Swaps market. Can you clarify that this section refers to options strategies and not OTC Swaps as a whole?

Response: This question primarily deals with options strategies. If Genera exercises options, it will be through a futures exchange like CME or NYMEX. Conversely, if Genera exercises SWAP, it will most likely involve OTC transactions with specific counterparties.

GPR – PREB ORDER – 10.19.2023 #40

40. Futures Contracts – as a clarification the Fixed Price section refers to futures as the only avenue to fix pricing although the Swaps market can also be a tool to fix prices physically or financially.

Response: Correct both futures *and* Swaps can fix a price.

GPR – PREB ORDER – 10.19.2023 #41

41. Are transaction related fees associated with utilizing swaps, options etc. incorporated in the hedge price component to calculate cost savings?

Response: Yes, transaction fees will be used when baseline numbers for cost savings.

GPR – PREB ORDER – 10.19.2023 #42

42. In the storage arbitrage savings program, how far out would Genera accelerate or delay purchases – 30 days, 3 months, 6 months?

Response: Less than 30 days.

GPR – PREB ORDER – 10.19.2023 #43

43. Would this storage strategy utilize futures and/or swaps to lock in the differential at the time of the hedge?

Response: No, Genera would simply defer or accelerate physical purchases based upon market structure (backwardation or contango).

Initiative 7: Payment Terms Management

GPR – PREB ORDER – 10.19.2023 #44

44. What are the current contractual clauses that determine the financing costs for all the current liquid fuel supplies?

Response: Fuel Oil contract Article VII(B).

GPR – PREB ORDER – 10.19.2023 #45

45. What is the Benchmark that Genera will be working/striving towards to get fuel suppliers to provide in the contract to determine the financing costs for liquid fuel supplies?

Response: Asking suppliers to provide pricing with a fixed adder for different time periods (payment time periods) such as 15-, 30- and 60-day payment terms.

GPR – PREB ORDER – 10.19.2023 #46

46. There is a cost of capital PREPA has incurred due to the Debt Restructuring Process. Once PREPA exits from Title III, there will be an expected risk reduction and consequently a reduction in PREPA's Cost of Capital (i.e., financing cost). How would the Fuel Optimization calculations related to this Initiative excluded the expected effective reduction in financing costs due to PREPA's exit from Title III.

Response: Regardless of the cost of capital for PREPA today and in the future, this initiative pursues any potential savings between the suppliers cost of capital and PREPA's cost of capital.

GPR – PREB ORDER – 10.19.2023 #47

47. Provide the most recent analysis that shows the annualized financing costs for this credit (the current credit terms)?

Response: Using the awarded fuel oil contract from FY2024 supplier Novum Energy, the 60-day payment terms were \$4.30 per barrel, the 30-day payment terms were \$2.88 per barrel. When using \$95 per barrel those different payment terms imply an estimated ~18% annualized financing cost.

GPR – PREB ORDER – 10.19.2023 #48

48. Provide the latest sample invoice that includes all supporting documentation for the financing charge.

Response: This would not be applicable since the financing charge is embedded within the supplier's fixed adder and not a sperate line item on any fuels invoice.

GPR – PREB ORDER – 10.19.2023 #49

49. Using the example provided in Page 33 of the FOP, use FY 2023 data, and provide an example of how the Fuel Optimization calculations will look like for the basis or the Fuel Optimization Report. The example should be as close as feasibly possible to how it would look like for Contract Year 1 of the Fuel Optimization Report.

Response: Please refer to attached document titled GPR – PREB ORDER – 10.19.2023 #49. This file takes FY2023 historical volumetric information and FY2023 historical Platts monthly fuel oil average prices combined with the now current Novum fuel oil supplier Novum's 60-day and 30-day pricing information.

GPR – PREB ORDER – 10.19.2023 #50

50. Will this initiative (or implementation of it) have a one-time (or other) adverse impact to the monthly deposits into the Genco Fuel Account?

Response: There is most likely a one-time adverse impact on the first month as additional funds will be required to transition from a 60 day payment terms to 30 day payment term.

GPR – PREB ORDER – 10.19.2023 #51

51. Are there any Implementation or on-going administrative cost that will be associated with the Implementation of new payment terms and the management of the secondary 3rd party financing options?

Response: If the third-party financing option carries any costs, it will be reflected in the cost of using that 3rd party capital and thus deducted from the resulting cost savings.

GPR – PREB ORDER – 10.19.2023 #52

52. Does Genera expect to receive Fuel Optimization Payment regarding this Initiative for the first year of implementation of the initiative, for a limited number of years after implementation of the Initiative, or for the life of the Genera contract once implemented?

Response: Each year in which this initiative is successfully implemented.

GPR – PREB ORDER – 10.19.2023 #53(a)

53. On page 32, under part b, Approach/ Strategies, is the following sentence:
"Financing term improvements could be at Operator's capital improvements."

a. Could you please further explain this statement?

Response: The initiative was potentially using Genera's balance sheet at some point. Unfortunately, we do not believe this is a realistic opportunity at this moment and time but we will continue to evaluate it in the future.

GPR – PREB ORDER – 10.19.2023 #53(b)

b. Who is the mentioned operator in the sentence: Luma, PREPA, or Genera?

Response: Genera

GPR – PREB ORDER – 10.19.2023 #53(c)

- c. Is the operator's capital improvement mentioned considered in the operational budget (liquidity)?

Response: No. Genera's budget is limited to the operation and maintenance of the system and the only amounts that are deposited in Genera's accounts to operate are for those purposes, as approved in the yearly budgets.

GPR – PREB ORDER – 10.19.2023 #53(d)

d. How is this going to be achieved?

Response: Please refer to answer GPR – PREB ORDER – 10.19.2023 #53(a).

GPR – PREB ORDER – 10.19.2023 #54

54. Please provide a detailed written plan about projected cost savings for long- range/upcoming years after 2025, based on the mentioned strategies or specific additional methodologies for implementation.

Response: Each year Genera will request in the RFPs for the market to present to Genera different payment terms based on at least a 15-, 30- and 60-day structure. One of the possibilities is that Genera will request the market to give a daily payment term rate with the option to pay an invoice on any payment term up to a 60-day timing.

GPR – PREB ORDER – 10.19.2023 #4(d).

Exhibit A

NO. 2 FUEL OIL SPECIFICATIONS

PARAMETER	ASTM METHOD	CAMBALACHE	SAN JUAN CC	MAYAGUEZ	ALL OTHER UNITS
		MIN - MAX	MIN - MAX	MIN - MAX	MIN - MAX
SAMPLING	D-4057				
GRAVITY, API DEGREE AT 60F	D-287, D-4052	30.0 - 42.0	30.0 - 42.0	30.0 - 42.0	30.0 - 42.0
VISCOSITY, KINEMATIC CTS AT 100F	D-445, D2161	2.3 - 5.8	2.3 - 5.8	2.3 - 5.8	2.3 - 5.8
WATER & SEDIMENT, % VOLUME	D-473	MAX 0.1	MAX 0.1	MAX 0.1	MAX 0.1
FLASH POINT, DEGREE F, PMCT	D-93	MIN 125	MIN 125	MIN 125	MIN 125
SULFUR, % WEIGHT	D-4294	MAX 0.15	MAX 0.050	MAX 0.09	MAX 0.50
ASH, % WEIGHT	D-482	MAX 0.005	MAX 0.005	MAX 0.005	MAX 0.005
POUR POINT, DEGREE F	D-97	MAX 15	MAX 15	MAX 15	MAX 15
SODIUM + POTASSIUM, PPM	D-5863	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5
VANADIUM, PPM	D-3605, D-5863	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5
CALCIUM, PPM	D-5863	MAX 0.2	MAX 0.2	MAX 0.2	MAX 0.2
HEATING VALUE, BTU/LB (GROSS) AT 60F *	D-240	MIN 18,600 *	MIN 18,600 *	MIN 18,600 *	MIN 18,600 *
DISTILLATION TEMP 90% POINT F	D-86	MAX 650	MAX 650	MAX 650	MAX 650
CARBON RESIDUE WT. % (10% BOTTOMS)	D-524	MAX 1.0	MAX 1.0	MAX 1.0	MAX 1.0
FILTERABLE PARTICULATES MG/100ML	D-2276	MAX 4	MAX 4	MAX 4	MAX 4
CETANE INDEX	D-4737	40 - 56	40 - 56	40 - 56	NOT REGULATED
COLOR	VISUAL	UNDYED	UNDYED	UNDYED	UNDYED
LEAD PPM	D-5863	0.01 - 1.0	0.01 - 1.0	0.01 - 1.0	0.01 - 1.0
FUEL BOUND NITROGEN, % WEIGHT	D-4629	MAX 0.055	0.015	MAX 0.10	0.015

* = requirement is gross heating value, but net heating value should be also included for our operations calculations

Revised August, 2021

GPR – PREB ORDER – 10.19.2023 #7.

Puerto Rico Energy LLC

May, 08 2023

Mr. Joel Pantoja

Designated Procurement Representative

Via: Power Advocate system

Re: RFP 3665 Ultra Low Distillate No. 2 Fuel Oil Requirements San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and Gas Turbine Stations

1-Introduction

PR Energy LLC (Former Puma Energy LLC) started operations in Puerto Rico in 2008 and since entering the market, has invested over \$500 million in Puerto Rico, making us the leader in Petroleum infrastructure in the island demonstrating a strong commitment to Puerto Rico.

Since 2011 until November 2021 PR Energy has been supplier to PREPA for their No. 2 Fuel Oil requirements at San Juan, Palo Seco, Cambalache, Mayaguez, Aguirre, and the Satellite Generating Plants, that PREPA demands on time for its continuous power generation operations.

Also, since October 2021 PR Energy has been sole supplier of residual #6 Fuel Oil requirement with a monthly average deliveries of 1.2 MM bbls and a approximate cost of 3.1 Billion dollars.

Diesel and ULSD is always readily available to assure the Product and Quality required by PREPA with a current ULSD storage capacity of 600k bbls in our terminals

PR Energy employs over 150 people in Puerto Rico, who are devoted to assuring a strong and reliable relationship with PREPA. Ready for PREPA 24/7.

In emergencies like Hurricanes Irma, Maria, Fiona and pandemic supply shortages PREPA and PR Energy have worked toward solving supply problems. In August 2016, we were able to deliver almost 1M barrels in a month. The monthly average consumption is close to 300,000 barrels.

In previous Bids Puma was the only bidder, which demonstrates Puma's commitment to PREPA and Puerto Rico.

2.Capacity

The storage terminal has a capacity of around 2.5 million barrels. We also operate a network of 329 retail sites and over 150 employees, covering all lines of business including except refining.

In addition to this, Puma owns a private dock in the San Juan Bay, which allows us to be faster in discharging vessels by having a direct control over the operations, unlike other public terminals in the country that work on a first come, first serve basis



Proof of this ample capacity and efficiency in supply has been our performance with the Light Distillate No. 2 Fuel Oil PREPA supply contract, with detailed volumes as per below:

Year	Contract Term	Volume Supply in Barrels
2014	7/21/2014 - 7/21/2015	3,153,000
2015	6/23/2015-6/9/2016	4,190,000
2016	6/9/2016-7/21/2017	5,280,000
2017	7/21/2017-7/21/2019	5,637,000
2018		5,152,000
2019	7/20/2019-11/20/2019	2,348,000
2020	11/21/2019-11/20/2020	7,222,000
2021	11/21/2020-7/31/2021	2,169,444
TOTAL		35,151,444

In addition to the above supplied barrels to PREPA, Puma supplies the country with an additional 6 million barrels of petroleum products per year through our retail and wholesale business in Puerto Rico.

Also, in the product shortage after the 2021 pandemic, PR Energy supply 159 k bbls of ULSD Spot product between May 2022 until beginning of 2023

All the above constitutes sufficient proof of our large-scale operational footprint in Puerto Rico, and our ample capacity to supply both the Light Distillate No. 2 Fuel Oil and the Bunker C Fuel Oil requirements that PREPA needs to run its power generation business.

3.Contracts awarded and management

Prepa Diesel Contracts, 2014, 2015, 2016, 2017-2019, 2019 (5 months), 2019, 2020

Prepa Fuel Oil Contract 902-10-21 20 2021 – 2023

4.Emergency supply guarantees

PR Energy owns a terminal in Bayamon with over 2.5 million barrels of storage capacity, with direct connection via pipeline to PREPA's power plants in San Juan and Palo Seco, exclusive rack for truck loadings and the only private dock in San Juan which can always give priority for vessels supplying PREPA (unlike the Public Docks in other terminals). Making it uniquely positioned to supply all of PREPA's inventory needs in situations of emergency.

PR Energy's large footprint in the regional market also allows it to have vessels on the water, at all times, which can be deviated on short notice to Puerto Rico in case of emergencies or spikes in demand.

In addition to the logistical advantages presented above, Puma has access to small tankers positioned in the Caribbean market working for other PR Energy's businesses in the region, which will have the ability to deliver in Mayaguez, Corco, or San Juan at PREPA's request.

As there are costs involved in making this vessel available to supply PREPA's needs, and in order to ensure there is an effective use of the same, the following requirements need to be satisfied:

There needs to be at least 30 days advance notice of said volume requirement

- Request of additional volume needs to be of sufficient large scale to justify the positioning and additional supply vessel in the rotation
- There needs to be a firm commitment from PREPA to purchase the additional volume that will be loaded and delivered off the vessel
- Express acceptance of PREPA for the berthing and operations of Puma's vessel in PREPA's terminal(s)

5. Supply and Delivery

We hereby confirm our interest in being the sole supplier to PREPA for their Ultra Low Sulfur Diesel ULSD requirements.

Our ample logistical footprint in the country allows us to supply ULSD in compliance with the specifications included in Exhibit A, for all the requested facility groupings: a) San Juan and Palo Seco (via pipeline), b) Mayagüez, Cambalache, and Aguirre (via barge), and c) Gas Turbines (Vega Baja, Ceiba, Guayama and Yabucoa), via trucks or any other agreed delivery requirement.

6. Onsite Storage option and/or rebates

For performing any Ultra Low Sulfur Diesel contracts, PR Energy would make use of its own private terminal in Bayamon.

Our terminal has over 2.5 million barrels of storage capacity, as well as direct connections via pipeline to PREPA's power plants in San Juan and Palo Seco, an exclusive rack for truck loadings and the only private dock in San Juan.

In addition to this, we have the capacity to lease dedicated supply barges for Diesel that can be used exclusively for the required transportation of product into other PREPA terminals such as Mayagüez, Cambalache, and Aguirre.

7. Credit Cap

We hereby inform we can establish both Sixty Millions Dollars (\$60,000,000) or Seventy-Five Millions Dollars \$75,000,000 credit cap in order to support financing PREPA's needs.



8. Financial Capacity

Please refer to audited financial statements for the years 2020, 2021 and 2022, which we are attaching in the PowerAdvocate system as part of supporting documentation for this RFQ process.

We hereby confirm information submitted in the response of this Request for Information (RFI) is true and accurate. We also confirm that Mario Sierra, Chairman of Puerto Rico Energy LLC, is authorized to submit the Statements of Information (SOI) on behalf of the responders, as evidenced in Corporate Resolution we are attaching in the Power Advocate system as part of supporting documentation for this process.

Please note that for the purposes of this RFP, we hereby designate the following individuals as the relevant contacts for this process:

- Mario Sierra, Chairman Puerto Rico Energy LLC Mario.Sierra@Energy-Latam.com
- Ruben Gonzalez, Account Manager New Ventures – PR Energy LLC
Ruben.Gonzalez@Energy-Latam.com

We appreciate your invitation to participate in this RFP process, and look forward to your feedback and/or any further clarification to our SOI in case needed.

Cordially yours,



Mario Sierra
Chairman PR Energy

Puerto Rico Energy LLC

May, 08 2023

Mr. Joel Pantoja

Designated Procurement Representative

Via: Power Advocate system

Re: RFP 3665 Ultra Low Distillate No. 2 Fuel Oil Requirements San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and Gas Turbine Stations

Delivery:

San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and Gas Turbines Generating Stations according with each plant monthly nomination.

Method of delivery:

Via pipeline, barge or trucks

Duration:

One (1) year after contract signing by the parties with mutual renewal option for one (1) additional year.

Price:

- The fixed price differential is \$7.2500/bbl for all deliveries by pipeline, vessel or barge and \$8.2500/bbl for all deliveries by truck for a contract awarded in the period June, 1st 2023 to October 21st, 2024
- The fixed price differential is \$7.7500/bbl for all deliveries by pipeline, vessel or barge and \$8.7500/bbl for all deliveries by truck for a contract awarded in the period October, 21st 2023 to October 21st, 2024

Credit:

Sixty Million Dollars (\$60,000,000) or Seventy-Five Million Dollars \$75,000,000 credit cap according with contract agreement.

Payment:

60 days after delivery



Product:

ULSD According with RFP Exhibit A specifications

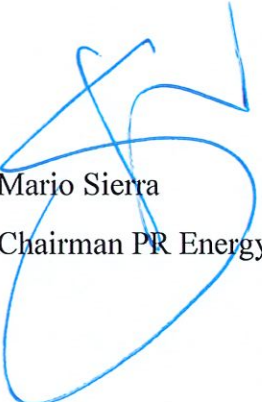
Contract terms:

As per wording agreed between Puma and PREPA for RFP's attached ULSD term supply contract.

Please note that for the purposes of this RFP, we hereby designate the following individuals as the relevant contacts for this process:

- Mario Sierra, Chairman Puerto Rico Energy LLC Mario.Sierra@Energy-Latam.com
- Ruben Gonzalez, Account Manager New Ventures – PR Energy LLC
Ruben.Gonzalez@Energy-Latam.com

We appreciate your kind invitation to participate in this RFP process, and look forward to your feedback and/or any further clarification to our SOI in case needed.



Mario Sierra
Chairman PR Energy

OK (NO COMMENT)

SAMPLE CALCULATION BTU DEFICIENCY ADJUSTMENT

Example of calculation to determine credit due to PREPA if Seller supplies fuel of lower heat content than the guaranteed Btu value. The contracted value is 18,600 Btus per pound of fuel measured at 60 degrees F.

Assume Seller delivers 50,000 barrels of fuel measured at 60 degrees F.

Assume the quality certificate of the fuel indicates a heat content of 18,500 Btu per pound.

Therefore:

To calculate the equivalent barrels deficiency divide the difference of Btus per pound received by the guaranteed minimum and multiply this fraction by the delivered volume.

Example:

$$(50,000 \text{ barrels}) \times ((18,600 - 18,500) / 18,600) = 268.82 \text{ bbl. (deficiency)}$$

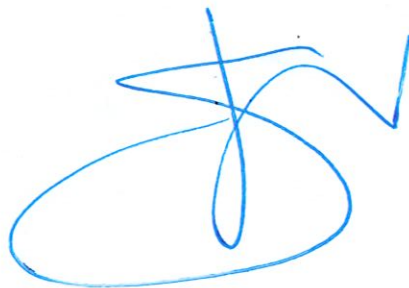


Exhibit A

ULTRA LOW SULFUR DIESEL (ULSD) SPECIFICATIONS

PARAMETER	ASTM METHOD	CAMBALACHE	SAN JUAN CC	PALO SECO	AGUIRRE	MAYAGUEZ	ALL OTHER UNITS
SAMPLING	D-4057	MIN - MAX	MIN - MAX	MIN - MAX	MIN - MAX	MIN - MAX	MIN - MAX
GRAVITY, API DEGREE AT 60F	D-287, D-4052	30.0 - 42.0	30.0 - 42.0	30.0 - 42.0	30.0 - 42.0	30.0 - 42.0	30.0 - 42.0
VISCOSITY, KINEMATIC CTS AT 100F	D-445, D2161	2.3 - 5.8	2.3 - 5.8	2.3 - 5.8	2.3 - 5.8	2.3 - 5.8	2.3 - 5.8
WATER & SEDIMENT, % VOLUME	D-473	MAX 0.1	MAX 0.1	MAX 0.1	MAX 0.1	MAX 0.1	MAX 0.1
FLASH POINT, DEGREE F, PMCT	D-93	MIN 125	MIN 125	MIN 125	MIN 125	MIN 125	MIN 125
SULFUR, PPM	D-7039, D-2622	MAX 15.0	MAX 15.0	MAX 15.0	MAX 15.0	MAX 15.0	MAX 15.0
SULFUR, % WEIGHT	D-7039, D-2622	MAX 0.0015	MAX 0.0015	MAX 0.0015	MAX 0.0015	MAX 0.0015	MAX 0.0015
ASH, % WEIGHT	D-482	MAX 0.005	MAX 0.005	MAX 0.005	MAX 0.005	MAX 0.005	MAX 0.005
POUR POINT, DEGREE F	D-97	MAX 15	MAX 15	MAX 15	MAX 15	MAX 15	MAX 15
SODIUM + POTASSIUM, PPM	D-5863	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5
VANADIUM, PPM	D-3605, D-5863	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5	MAX 0.5
CALCIUM, PPM	D-5863	MAX 0.2	MAX 0.2	MAX 0.2	MAX 0.2	MAX 0.2	MAX 0.2
HEATING VALUE, BTU/LB (GROSS) AT 60F *	D-240	MIN 18,600 *	MIN 18,600 *	MIN 18,600 *	MIN 18,600 *	MIN 18,600 *	MIN 18,600 *
DISTILLATION TEMP 90% POINT F	D-86	MAX 650	MAX 650	MAX 650	MAX 650	MAX 650	MAX 650
CARBON RESIDUE WT. % (10% BOTTOMS)	D-524	MAX 1.0	MAX 1.0	MAX 1.0	MAX 1.0	MAX 1.0	MAX 1.0
FILTERABLE PARTICULATES MG/100ML	D-2276	MAX 4	MAX 4	MAX 4	MAX 4	MAX 4	MAX 4
CETANE INDEX	D-4737	40 - 56	40 - 56	NOT REGULATED	NOT REGULATED	40 - 56	NOT REGULATED
COLOR	VISUAL	UNDYED	UNDYED	UNDYED	UNDYED	UNDYED	UNDYED
LEAD PPM	D-5863	0.01 - 1.0	0.01 - 1.0	0.01 - 1.0	0.01 - 1.0	0.01 - 1.0	0.01 - 1.0
FUEL BOUND NITROGEN, % WEIGHT	D-4629	MAX 0.055	0.015	0.015	0.015	MAX 0.10	0.015

* = requirement is gross heating value, but net heating value should be also included for our operations calculations

Revised September 26, 2022

**SAMPLE CALCULATION
ESCALATION FACTOR**

Exhibit C

DB (No comments)

Indexes for Ultra Low Sulfur Diesel

	Platts NY		Platts USGC		Argus NY		Argus USGC	
	Low	High	Low	High	Low	High	Low	High
01/02/17	170.52	170.62	168.92	169.02	169.53	170.13	168.17	168.57
01/03/17	164.57	164.67	163.22	163.32	164.67	165.17	162.17	163.17
01/04/17	166.40	166.50	164.10	164.20	166.15	166.65	163.15	164.25

First step: Average

$$\text{Platts New York} = (170.52 + 170.62 + 164.57 + 164.67 + 166.4 + 166.5) / 6 = 167.2133$$

$$\text{Platts US Gulf Coast} = (168.92 + 169.02 + 163.22 + 163.32 + 164.1 + 164.2) / 6 = 165.4633$$

$$\text{Argus New York} = (169.53 + 170.13 + 164.67 + 165.17 + 166.15 + 166.65) / 6 = 167.05$$

$$\text{Argus USGC} = (168.17 + 168.57 + 162.17 + 163.17 + 163.15 + 164.25) / 6 = 164.9133$$

Second step: Interpolation

$$\text{Platt's ULSD} = (167.2133 + 165.4633) / 2 = 166.3383$$

$$\text{Argus ULSD} = (167.05 + 164.9133) / 2 = 165.9817$$

Third step: Final calculation

Escalation Factor for a delivery commencing on January 3, 2017

$$= [\frac{1}{2}(\text{Platts ULSD}) + \frac{1}{2}(\text{Argus ULSD})] \times 0.42$$

$$= \frac{1}{2}(166.3383) + \frac{1}{2}(165.9817) \times 0.42$$

$$= (83.1692 + 82.9908) \times 0.42 = 69.7872$$



Puerto Rico Electric Power Authority

RFP 3665 Ultra Low Distillate No. 2 Fuel Oil Requirements San Juan, Palo Seco, Aguirre, Mayagüez, Cambalache, and Gas Turbine Stations

**Puerto Rico Energy
April, 2023**

Puerto Rico Energy LLC

Business Confidential

Assurance of Supply & Storage

- PR Energy is the only company with multiple storage facilities in the Island (North & South).
- PR Energy owns a private Dock in the San Juan Bay with the deepest draft for oil discharges & has access to Cataño Oil Dock which provides preference on Diesel operations.
- Rack on all storage facilities for truck deliveries.
- +600KB of Diesel (Including ULSD) total storage capacity with the flexibility to increase it to a 1MB.
- Dedicated barge on Time Charter for the correct and accurate supply of the contract.
- Bayamon Terminal:
 - ✓ Located less than 3 miles from Palo Seco and San Juan duly connected via Pipelines
- Guaynabo 2 Terminal:
 - ✓ Available additional storage capacity
- CORCO Terminal
 - ✓ When required use PREPA's tank at Guayanilla



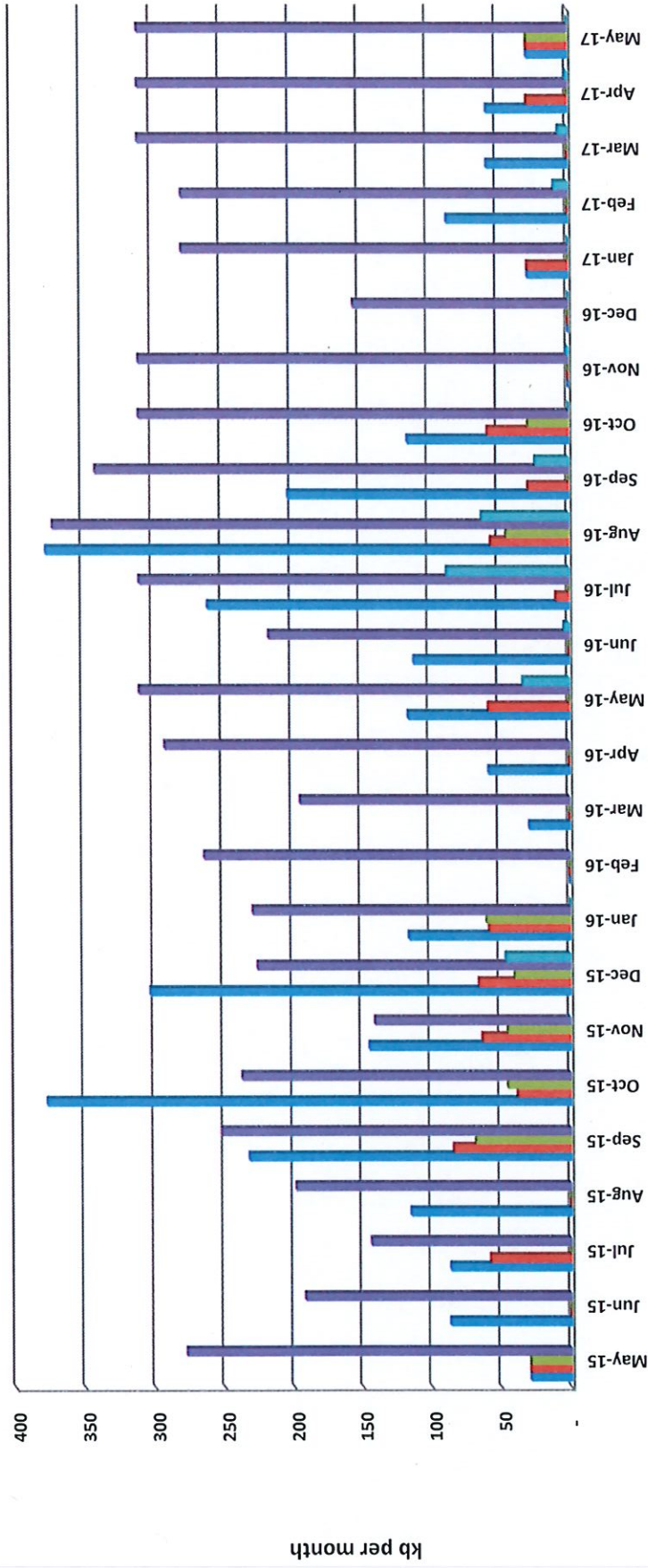
Prepa Awarded Contracts

Contract Terms since 2014, 5 years experience

Year	Contract Term	Volume Supplied in Barrels
2014	7/21/2014-7/21/2015	3,153,000
2015	6/23/2015-6/9/2016	4,190,000
2016	6/9/2016-7/21/2017	5,280,000
2017	7/21/2017-7/21/2019	5,637,000
2018		5,152,000
2019	7/20/2019-11/20/2019	2,348,000
2020	11/21/2019-11/20/2020	7,222,000
2021	11/21/2020-7/31/2021	2,169,444
TOTAL		35,151,444

Historical Demand per Power Plant

Proven strong supply reliability record in a highly volatile demand environment



	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Aguirre	28,9	86,6	86,5	115	232	377	145	303	116	-	29,0	58,0	116	112	261	377	203	116	-	-	29,0	87,0	58,0	58,0	29,0
Cambalache	28,9	-	57,7	-	84,0	38,0	63,0	65,4	58,0	-	-	-	58,0	-	9,52	56,0	29,0	58,0	-	-	29,0	-	-	29,0	29,0
Mayaguez	28,9	-	-	-	68,0	45,0	45,0	40,0	60,0	-	-	-	-	-	-	45,0	-	29,0	-	-	-	-	-	-	29,0
San Juan	277	192	144	198	252	237	141	225	229	264	195	292	310	217	310	372	341	310	310	155	279	279	310	310	310
Satelite Plants							46,2	-					33,4	3,81	88,0	62,5	24,0	-	1,50	-	-	10,0	6,90	1,40	-

Advantage to Prepa

- PR Energy has multiple points of supply and due to the restriction of the Jones Act we have non US barrels in the water every day.
- Bayamón is connected directly to Palo Seco and San Juan via pipeline which has allowed Puma to flawlessly adapt to volatile scenarios.
 - ✓ Over the past 8 years we have supplied the island adapting to the different scenarios that PREPA required.
- Capacity to deliver via multiple alternatives from Pipelines, Trucks, Barge and different size vessels.
- PR Energy owns a private dock in the San Juan Bay, which allows us to be faster in discharging vessels by us controlling the operations.
- Due to PRE's storage, pipeline and connection to PREPA we can do just in time delivery reducing PREPA's working capital.

RECAP

- Puma has invested over \$500 million in Puerto Rico since entering the market, making us the leader in Petroleum infrastructure in the island, demonstrating a strong commitment to Puerto Rico.
- Since 2011 Puma has delivered to PREPA No. 2 Fuel Oil requirements at San Juan, Palo Seco, Cambalache, Mayaguez, Aguirre, and the Satellite Generating Plants that PREPA demands on time.
- Current Residual #6 Fuel Oil (Bunker C) Supplier with 1.2 MM bbls average monthly delivery
- The No. 2 Fuel Oil in our Terminals is available to assure the Product and Quality required by PREPA.
- Puma employees 200 people in Puerto Rico who are devoted to assuring a strong and reliable relationship with PREPA. Ready for PREPA 24/7.
- In emergency situations like Hurricane Maria, PREPA and Puma have worked toward solving supply problems. In August 2016 we were able to deliver almost a 1M barrels in a month. The monthly average consumption is close to 400 barrels.
- In previous Bids Puma was the only bidder, which demonstrates Puma's commitment to PREPA and Puerto Rico.
- Deliveries are done via Pipeline, Vessels, Barges and Tank Trucks as needed by PREPA.

CERTIFICATE OF RESOLUTIONS OF **PUERTO RICO ENERGY LLC**

The undersigned, being the Assistant Secretary of PUERTO RICO ENERGY LLC (hereinafter, the "Company"), a limited liability company organized and existing under the laws of the Commonwealth of Puerto Rico, does hereby CERTIFY that the following resolutions were unanimously adopted and approved by the Board of Directors of the Company on March 29th, 2019, and that as of the date hereof have not been modified, repealed or rescinded and that are in full force and effect, all in accordance with the Limited Liability Company Agreement of the Company:

"RESOLVED, that Mario Ricardo Sierra Varela has been granted capacity as authorized signatory of the Company, (the "Authorized Signatory") and is hereby individually authorized, empowered and directed to, acting singly, negotiate, enter into, execute and deliver, on behalf of the Company, any and all leases, subleases, franchise agreements, amendments to any of such agreements and any and all other documents, whether public or private, necessary or required in connection with the normal course of operations of the Company, including, without limitation, to obtain the recording of any of said agreements, in any and all of the corresponding sections of the Property Registry of Puerto Rico and to take any and all such other actions relating to or in connection with the foregoing documents, as may be necessary to effectuate the purposes of this resolution, under such terms and conditions as the Authorized Signatory may approve, such approval to be conclusively evidenced by his execution and delivery of any said documents.

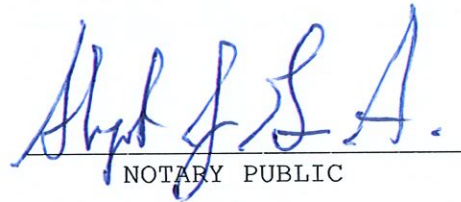
IN WITNESS WHEREOF, the undersigned has executed
this Certificate of Resolutions on May 5, 2023.



Name: Jorge William Perdomo Camacho
Title: Assistant Secretary

Affidavit No. -2892-

Subscribed and acknowledged before me by Jorge William Perdomo Camacho, of legal age, single, lawyer and a resident of San Juan, Puerto Rico, in his capacity as Assistant Secretary of PUERTO RICO ENERGY LLC, who is personally known to me. In San Juan, Puerto Rico, on May 5, 2023.


NOTARY PUBLIC

CERTIFICATE OF RESOLUTIONS OF **PUERTO RICO ENERGY LLC**

The undersigned, being the Assistant Secretary of PUERTO RICO ENERGY LLC (hereinafter, the "Company"), a limited liability company organized and existing under the laws of the Commonwealth of Puerto Rico, does hereby CERTIFY that the following resolutions were unanimously adopted and approved by the Board of Directors of the Company on March 29th, 2019, and that as of the date hereof have not been modified, repealed or rescinded and that are in full force and effect, all in accordance with the Limited Liability Company Agreement of the Company:

"**RESOLVED**, that Claudia Imara Peña Rojas has been granted capacity as authorized signatory of the Company, (the "Authorized Signatory") and is hereby individually authorized, empowered and directed to, acting singly, negotiate, enter into, execute and deliver, on behalf of the Company, any and all leases, subleases, franchise agreements, amendments to any of such agreements and any and all other documents, whether public or private, necessary or required in connection with the normal course of operations of the Company, including, without limitation, to obtain the recording of any of said agreements, in any and all of the corresponding sections of the Property Registry of Puerto Rico and to take any and all such other actions relating to or in connection with the foregoing documents, as may be necessary to effectuate the purposes of this resolution, under such terms and conditions as the Authorized Signatory may approve, such approval to be conclusively evidenced by his execution and delivery of any said documents.

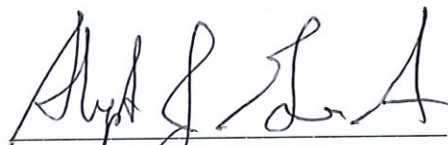
IN WITNESS WHEREOF, the undersigned has executed
this Certificate of Resolutions on May 5, 2023.



Name: Jorge William Perdomo Camacho
Title: Assistant Secretary

Affidavit No. -2893-

Subscribed and acknowledged before me by Jorge William Perdomo Camacho, of legal age, single, lawyer and a resident of San Juan, Puerto Rico, in his capacity as Assistant Secretary of PUERTO RICO ENERGY LLC, who is personally known to me. In San Juan, Puerto Rico, on May 5, 2023.


NOTARY PUBLIC



PUMA ENERGY CARIBE LLC
UNANIMOUS WRITTEN CONSENT OF THE
BOARD OF DIRECTORS
OF
Puma Energy Caribe LLC

The undersigned, being all of the members of the Board of Directors of Puma Energy Caribe LLC, a limited liability company created under the laws of Puerto Rico (the "Company"), in lieu of a meeting, and acting by unanimous written consent pursuant to the authority contained in the Limited Liability Agreement of the Company, hereby adopt the following resolutions:

"RESOLVED, that Mario Ricardo Sierra Varela has been granted capacity as authorized signatory of the Company, (the "Authorized Signatory") and is hereby individually authorized, empowered and directed to, acting singly, negotiate, enter into, execute and deliver, on behalf of the Company, any and all leases, subleases, franchise agreements, amendments to any of such agreements and any and all other documents, whether public or private, necessary or required in connection with the normal course of operations of the Company, including, without limitation, to obtain the recording of any of said agreements, in any and all of the corresponding sections of the Property Registry of Puerto Rico and to take any and all such other actions relating to or in connection with the foregoing documents, as may be necessary to effectuate the purposes of this resolution, under such terms and conditions as the Authorized Signatory may approve, such approval to be conclusively evidenced by his execution and delivery of any said documents.

FURTHER RESOLVED, that the Authorized Signatory is not authorized to, in the name of the Company, borrow any monies on behalf of the Company, or issue any guarantees in the name of the Company as security for money borrowed by any



PUMA ENERGY CARIBE LLC


third parties or to pledge or in any way encumber any of the assets of the Company. Instead, the Company may authorize an officer, employee or agent of the Company to take any of these actions by separate resolution.

RESOLVED, that this Consent supersedes any other Consent having similar effect and issued by the Company prior to this date.


RESOLVED, that this Consent may be executed in any number of counterparts with the same effect as if all of the directors had signed the same document, and all counterparts shall be construed together and shall constitute one written consent."

The undersigned hereby consent to the foregoing resolutions and direct that this unanimous written consent be filed with the minutes of the proceedings of this Board of Directors and that said resolutions shall have the same force and effect as if it had been adopted at a meeting of the Board of Directors at which all of the undersigned were personally present.

Dated effective this 29th day of March, 2019



Rodrigo Zavala
Director



Errol Robateau
Director

PUERTO RICO ELECTRIC POWER AUTHORITY



BID BOND

KNOW ALL MEN BY THESE PRESENTS, that we PUERTO RICO ENERGY LLC,
(hereinafter called the Principal) and XL SPECIALTY INSURANCE COMPANY, having its
principal offices at 334 MADISON AVE., MORRISTOWN, NJ 07960

STATE OF DELAWARE,

a corporation duly organized and existing under the Laws of the ~~COMMONWEALTH OF PUERTO RICO~~
and authorized to transact business in Puerto Rico (hereinafter called the Surety) are held and firmly
bound onto the PUERTO RICO ELECTRIC POWER AUTHORITY, a public corporation and governmental
instrumentality of the Commonwealth of Puerto Rico, (hereinafter called the Oblige), in the penal
sum of FIVE % of THE BID PRICE DOLLARS (\$ -----5%-----), lawful money of
the United States of America, for the payment of which sum well and truly to be made, the said
Principal and the said Surety, bind ourselves, our heirs, executors, administrators, and successors,
jointly and severally firmly by these presents.

WHEREAS, the Principal has submitted a bid for _____
"RFP 3665 SUPLIDO ULTRA LOW SULFUR DIST NO 2 DIESEL PARA CENTRALES E HIDROGAS"

NOW, THEREFORE, if the Oblige shall accept the bid of the Principal and the Principal shall enter into
a contract with the Oblige in accordance with the terms of such bid, and give such bond or bonds as
may be specified in the bidding or contract documents with good and sufficient surety for the faithful
performance of such contract and for the prompt payment of labor and material furnished in the
prosecution thereof, or in the event of the failure of the Principal to enter such contract and give such
bond or bonds, if the Principal shall pay to the Oblige the different not to exceed the penalty hereof
between the amount specified in said bid and such larger amount for which the Oblige may in a good
faith contract with another party to perform the work covered by said bid, then this obligation shall be
null and void, otherwise to remain in full force and effect.

IT IS hereby understood and agreed that this bond will be effect for a maximum period of ninety (90)
days after the bid date, unless its obligation is fulfilled prior to such date.

IN WITNESS WHEREOF, the above jointly and in solid bound parties have executed this instrument
under their several seals this 3RD day of MAY, 2023, the name and corporate
seals of each corporate party being hereto affixed and these presents duly signed by its undersigned
representatives pursuant to authority of its governing body.

PUERTO RICO ENERGY LLC (SEAL)

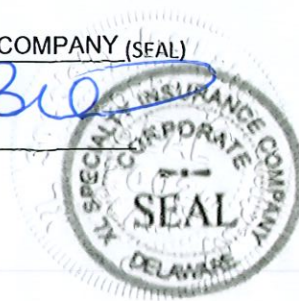
PRINCIPAL

TITILE

XL SPECIALTY INSURANCE COMPANY (SEAL)

SURETY

MARIA A. BRAS
ATTORNEY IN-FACT





Power of Attorney
XL Specialty Insurance Company
XL Reinsurance America Inc.

THIS IS NOT A BOND NUMBER
LIMITED POWER OF ATTORNEY

XL 1620413

KNOW ALL MEN BY THESE PRESENTS: That XL Specialty Insurance Company, a Delaware insurance companies with offices located at 505 Eagleview Blvd., Exton, PA 19341, and XL Reinsurance America Inc., a New York insurance company with offices located at 70 Seaview Avenue, Stamford, CT 06902, do hereby nominate, constitute, and appoint:

Maria A. Benitez Rivera, Maria A. Bras Benitez, Lizzamarie Torres Delgado

each its true and lawful Attorney(s)-in-fact to make, execute, attest, seal and deliver for and on its behalf, as surety, and as its act and deed, where required, any and all bonds and undertakings in the nature thereof, for the penal sum of no one of which is, in any event to exceed \$100,000,000.00.

Such bonds and undertakings, when duly executed by the aforesaid Attorney (s) - in - Fact shall be binding upon each said Company as fully and to the same extent as if such bonds and undertakings were signed by the President and Secretary of the Company and sealed with its corporate seal.

The Power of Attorney is granted and is signed by facsimile under and by the authority of the following Resolutions adopted by the Board of Directors of each of the Companies on the 26th day of July 2017.

RESOLVED, that Gary Kaplan, Daniel Riordan, Maria Duhart, Gregory Boal and Kevin Mirsch are hereby appointed by the Board as authorized to make, execute, seal and deliver for and on behalf of the Company, any and all bonds, undertakings, contracts or obligations in surety or co-surety with others and that the Secretary or any Assistant Secretary of the Company be and that each of them hereby is authorized to attest the execution of any such bonds, undertakings, contracts or obligations in surety or co-surety and attach thereto the corporate seal of the Company.

RESOLVED, FURTHER, that Gary Kaplan, Daniel Riordan, Maria Duhart, Gregory Boal and Kevin Mirsch each is hereby authorized to execute powers of attorney qualifying the attorney named in the given power of attorney to execute, on behalf of the Company, bonds and undertakings in surety or co-surety with others, and that the Secretary or any Assistant Secretary of the Company be, and that each of them is hereby authorized to attest the execution of any such power of attorney, and to attach thereto the corporate seal of the Company.

RESOLVED, FURTHER, that the signature of such officers named in the preceding resolutions and the corporate seal of the Company may be affixed to such powers of attorney or to any certificate relating thereto by facsimile, and any such power of attorney or certificate bearing such facsimile signatures or facsimile seal shall be thereafter valid and binding upon the Company with respect to any bond, undertaking, contract or obligation in surety or co-surety with others to which it is attached.

IN WITNESS WHEREOF, the XL SPECIALTY INSURANCE COMPANY has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officers this October 13th, 2022.

XL SPECIALTY INSURANCE COMPANY

by:

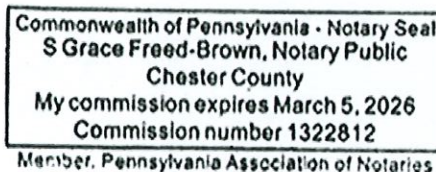
Gregory Boal, VICE PRESIDENT

Attest:

Kevin M. Mirsch, ASSISTANT SECRETARY

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

On this 13th day of October, 2022, before me personally came Gregory Boal to me known, who, being duly sworn, did depose and say: that he is Vice President of XL SPECIALTY INSURANCE COMPANY, described in and which executed the above instrument; that he knows the seals of said Companies; that the seals affixed to the aforesaid instrument is such corporate seals and were affixed thereto by order and authority of the Boards of Directors of said Companies; and that he executed the said instrument by like order.



S. Grace Freed-Brown, NOTARY PUBLIC

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

I, Kevin M. Mirsch, Assistant Secretary of XL SPECIALTY INSURANCE COMPANY, a corporation of the State of Delaware, do hereby certify that the above and forgoing is a full, true and correct copy of a Power of Attorney issued by said Companies, and that I have compared same with the original and that it is a correct transcript therefrom and of the whole of the original and that the said Power of Attorney is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation, at the City of Exton, this 3rd day of MAY, 2023.



Kevin M. Mirsch, ASSISTANT SECRETARY

IN WITNESS WHEREOF, XL REINSURANCE AMERICA INC. has caused its corporate seal to be hereunto affixed, and these presents to be signed by its duly authorized officers this 13th day of October, 2022.



XL REINSURANCE AMERICA INC.

by:

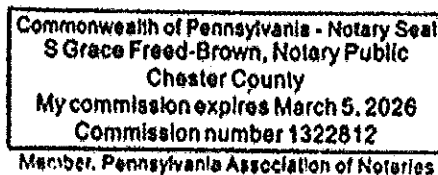
Gregory Boal, VICE PRESIDENT

Attest:

Kevin M. Mirsch, ASSISTANT SECRETARY

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

On this 13th day of October, 2022, before me personally came Gregory Boal to me known, who, being duly sworn, did depose and say: that he is Vice President of XL REINSURANCE AMERICA INC., described in and which executed the above instrument; that he knows the seal of said Corporation; that the seal affixed to the aforesaid instrument is such corporate seal and was affixed thereto by order and authority of the Board of Directors of said Corporation, and that he executed the said instrument by like order.



S. Grace Freed-Brown, NOTARY PUBLIC

STATE OF PENNSYLVANIA
COUNTY OF CHESTER

I, Kevin M. Mirsch, Assistant Secretary of XL REINSURANCE AMERICA INC. a corporation of the State of New York, do hereby certify that the person who executed this Power of Attorney, with the rights, respectively of XL REINSURANCE AMERICA INC., do hereby certify that the above and forgoing is a full, true and correct copy of a Power of Attorney issued by said Corporation, and that I have compared same with the original and that it is a correct transcript therefrom and of the whole original and that the said Power of Attorney is still in full force and effect and has not been revoked.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation, at the City of Exton, this ___ day of _____



Kevin M. Mirsch, ASSISTANT SECRETARY

This Power of Attorney may not be used to execute any bond with an inception date after 10/24/2024



Commonwealth of Puerto Rico

OFFICE OF THE COMMISSIONER OF INSURANCE

Certificate of Authority

This is to certify that

XL Specialty Insurance Company

The Corporation Trust Company
1209 Orange Street
Wilmington DE 19801

has complied with the corresponding requirements of the Insurance Code of Puerto Rico and is therefore granted authority to transact, within Puerto Rico Casualty, Marine and Transportation, Property, Surety, Vehicle insurance.

This authorization shall be in force from July 01, 2022 to June 30, 2023 unless previously suspended, revoked or terminated pursuant to the law and regulations in force.

In witness whereof, I hereunto subscribe my name and affix my official seal at San Juan, Puerto Rico, this 23rd day of June, 2022.



A handwritten signature in black ink, appearing to read "Alexander S. Adams Vega".

Alexander S. Adams Vega
Commissioner of Insurance

Maria A Bras Benitez
PO BOX 195555
SAN JUAN PR 00919

License No. 12576 Commonwealth of Puerto Rico NPN: 6883801
OFFICE OF THE COMMISSIONER OF INSURANCE
Maria A Bras Benitez
250 PONCE DE LEON AVE
SUITE 405
SAN JUAN PR 00918

This is to certify that pursuant to requirements of the Insurance Code of Puerto Rico the above named is qualified to do business in Puerto Rico with the authority listed below.

POWER OF ATTORNEY	EFFECTIVE DATE	EXPIRATION DATE	MAXIMUM AMOUNT	DATE OF POWER
Greenwich Insurance Company	03/01/2022	02/29/2024	UNLIMITED	01/28/2003
St Paul Fire & Marine Insurance Company	03/01/2022	02/29/2024	UNLIMITED	08/03/2006
XL Reinsurance America Inc	03/01/2022	02/29/2024	\$ 20,000,000.00	04/06/2005
Travelers Casualty and Surety Company	03/01/2022	02/29/2024	UNLIMITED	08/03/2006
R L I Insurance Company	03/01/2022	02/29/2024	\$ 25,000,000.00	09/13/2012
XL Specialty Insurance Company	03/01/2022	02/29/2024	UNLIMITED	08/21/2001
Zurich American Insurance Company	03/01/2022	02/29/2024	UNLIMITED	07/12/2006
Fidelity And Deposit Company of Maryland	03/01/2022	02/29/2024	UNLIMITED	07/12/2006
Argonaut Insurance Company	03/01/2022	02/29/2024	\$ 25,000,000.00	07/05/2012
United States Fidelity And Guaranty Company	03/01/2022	02/29/2024	UNLIMITED	08/03/2006
Western Surety Company	03/01/2022	02/29/2024	UNLIMITED	12/09/2010
The Guarantee Company of North America USA	03/01/2022	02/29/2024	UNLIMITED	02/23/2013
Continental Casualty Company	03/01/2022	02/29/2024	UNLIMITED	07/10/2014
Travelers Casualty and Surety Company of America	03/01/2022	02/29/2024	UNLIMITED	03/30/2012
Atlantic Specialty Insurance Company	03/01/2022	02/29/2024	\$ 50,000,000.00	08/05/2013
National Fire Insurance Company of Hartford	03/01/2022	02/29/2024	UNLIMITED	07/10/2014
American Casualty Company of Reading Pennsylvania	03/01/2022	02/29/2024	UNLIMITED	07/10/2014
North American Specialty Insurance Company	03/01/2022	02/29/2024	UNLIMITED	04/16/2015
Washington International Insurance Company	03/01/2022	02/29/2024	UNLIMITED	04/16/2015
Westport Insurance Corporation	03/01/2022	02/29/2024	UNLIMITED	04/16/2015
Liberty Mutual Insurance Company	03/01/2022	02/29/2024	UNLIMITED	01/15/2013
Aspen American Insurance Company	03/01/2022	02/29/2024	UNLIMITED	04/16/2015
The Continental Insurance Company	03/01/2022	02/29/2024	UNLIMITED	07/10/2014
Endurance Assurance Corporation	03/01/2022	02/29/2024	UNLIMITED	04/24/2017
Great American Insurance Company	03/01/2022	02/29/2024	\$ 10,000,000.00	07/17/2017
BeMay Insurance Company	03/01/2022	02/29/2024	\$ 25,000,000.00	12/10/2019
Philadelphia Indemnity Insurance Company	03/01/2022	02/29/2024	\$ 50,000,000.00	07/22/2020
United States Fire Insurance Company	03/01/2022	02/29/2024	UNLIMITED	12/07/2020
Travelers Casualty and Surety Company	03/01/2022	02/29/2024	\$ 10,000.00	06/29/2020
Philadelphia Indemnity Insurance Company	03/01/2022	02/29/2024	UNLIMITED	03/05/2021

This qualification shall remain in effect until the expiration date, when applicable, unless previously suspended, revoked or terminated pursuant to the law and regulations in force.

To validate the accuracy of this license you may review the same at <https://bsb.naic.org/sol-at-external-lookup/>

License No: 12576 Commonwealth of Puerto Rico NPN: 6883801
OFFICE OF THE COMMISSIONER OF INSURANCE
Maria A Bras Benitez
250 PONCE DE LEON AVE
SUITE 405
SAN JUAN PR 00918

This is to certify that pursuant to requirements of the Insurance Code of Puerto Rico the above named is qualified to do business in Puerto Rico with the authority listed below.

POWER OF ATTORNEY	EFFECTIVE DATE	EXPIRATION DATE	MAXIMUM AMOUNT	DATE OF POWER
Greenwich Insurance Company	03/01/2022	02/29/2024	UNLIMITED	01/28/2003
St Paul Fire & Marine Insurance Company	03/01/2022	02/29/2024	UNLIMITED	08/03/2006
XL Reinsurance America Inc	03/01/2022	02/29/2024	\$ 20,000,000.00	04/06/2005
Travelers Casualty and Surety Company	03/01/2022	02/29/2024	UNLIMITED	08/03/2006
R L I Insurance Company	03/01/2022	02/29/2024	\$ 25,000,000.00	09/13/2012
XL Specialty Insurance Company	03/01/2022	02/29/2024	UNLIMITED	08/21/2001
Zurich American Insurance Company	03/01/2022	02/29/2024	UNLIMITED	07/12/2006
Fidelity And Deposit Company of Maryland	03/01/2022	02/29/2024	UNLIMITED	07/12/2006
Argonaut Insurance Company	03/01/2022	02/29/2024	\$ 25,000,000.00	07/05/2012
United States Fidelity And Guaranty Company	03/01/2022	02/29/2024	UNLIMITED	08/03/2006
Western Surety Company	03/01/2022	02/29/2024	UNLIMITED	12/09/2010
The Guarantee Company of North America USA	03/01/2022	02/29/2024	UNLIMITED	02/23/2013
Continental Casualty Company	03/01/2022	02/29/2024	UNLIMITED	07/10/2014
Travelers Casualty and Surety Company of America	03/01/2022	02/29/2024	UNLIMITED	03/30/2012
Atlantic Specialty Insurance Company	03/01/2022	02/29/2024	\$ 50,000,000.00	08/05/2013
National Fire Insurance Company of Hartford	03/01/2022	02/29/2024	UNLIMITED	07/10/2014
American Casualty Company of Reading Pennsylvania	03/01/2022	02/29/2024	UNLIMITED	07/10/2014
North American Specialty Insurance Company	03/01/2022	02/29/2024	UNLIMITED	04/16/2015
Washington International Insurance Company	03/01/2022	02/29/2024	UNLIMITED	04/16/2015
Westport Insurance Corporation	03/01/2022	02/29/2024	UNLIMITED	04/16/2015
Liberty Mutual Insurance Company	03/01/2022	02/29/2024	UNLIMITED	01/15/2013
Aspen American Insurance Company	03/01/2022	02/29/2024	UNLIMITED	04/16/2015
The Continental Insurance Company	03/01/2022	02/29/2024	UNLIMITED	07/10/2014
Endurance Assurance Corporation	03/01/2022	02/29/2024	UNLIMITED	04/24/2017
Great American Insurance Company	03/01/2022	02/29/2024	\$ 10,000,000.00	07/17/2017
BeMay Insurance Company	03/01/2022	02/29/2024	\$ 25,000,000.00	12/10/2019
Philadelphia Indemnity Insurance Company	03/01/2022	02/29/2024	\$ 50,000,000.00	07/22/2020
United States Fire Insurance Company	03/01/2022	02/29/2024	UNLIMITED	12/07/2020
Travelers Casualty and Surety Company	03/01/2022	02/29/2024	\$ 10,000.00	06/29/2020
Philadelphia Indemnity Insurance Company	03/01/2022	02/29/2024	UNLIMITED	03/05/2021

This qualification shall remain in effect until the expiration date, when applicable, unless previously suspended, revoked or terminated pursuant to the law and regulations in force.

To validate the accuracy of this license you may review the same at <https://bsb.naic.org/sol-at-external-lookup/>



CONSENT OF SURETY

XL Specialty Insurance Company, a corporation created and existing under the laws of Delaware, and authorized to do business in the Commonwealth of Puerto Rico, hereby undertakes that if the bid of Puerto Rico Energy, LLC, herewith accompanying, dated May 3, 2023 for the RFP 3665 SUPLIDO ULTRA LOW SULFUR DIST NO 2 DIESEL PARA CENTRALES E HIDROGAS, be accepted, the said bidder will within ten (10) days after notice of award of contract enter into contract with the PUERTO RICO ELECTRIC POWER AUTHORITY to furnish all work and materials at the prices offered by said bid, and hereby undertake to give bonds, as may be required, for the faithful and proper fulfillment of such contract; and said corporation hereby binds itself and its successors to pay to the Puerto Rico Electric Power Authority.

In case the said bidder shall fail to enter into such contract or give such bonds within ten (10) days after said notice of award of contract, the difference in money between the amount of bid of said bidder on the work so accepted and the amount for which may contract with another party to furnish said work and materials, if the latter be in excess of the former.

IN WITNESS WHEREOF, the name and corporate seal of said corporation has been hereto affixed
This 3rd day of May, 2023.

And these presents signed by its duly authorized officers or Attorneys-in-Fact.

XL Specialty Insurance Company

Maria A. Bras
Attorney in Fact





CERTIFICACIÓN DE DEUDA CERTIFICATE OF DEBTS

Número de Certificación: 231905YGGL001855
Certificate Number

Fecha de Certificación: 05/05/2023
Certificate Date (DD/MM/YYYY)

Propósito: Certificación de balance
Purpose

Fecha de Expiración: 30/06/2023
Expiration Date (DD/MM/YYYY)

Emitido por: Portal de Servicios
Emitted by

De acuerdo a nuestros registros al día: 05/05/2023
According to our records as of (DD/MM/YYYY)

El patrono: PUMA ENERGY CARIBE LLC
The employer XXX-XX-9525

No tiene una deuda con la Corporación del Fondo del Seguro del Estado.
You do not have a debt with the State Insurance Fund Corporation.

Esta certificación no será válida sin el sello de oficial de verificación electrónica.
This Certification is not valid without the official stamp or electronic verification code.

No representa un relevo de responsabilidad por deudas con la CFSE pendientes de ser procesadas al momento de la emisión de este documento debido a la constante actualización de nuestras bases de datos, dilación o errores en la información provista por patronos y/o lesionados y/o dilación o errores en el proceso de recopilación y publicación de datos.
It does not represent a release for any pending debts with the SIFC waiting to be processed at the time of issuance of this document due to the constant updating of our databases, delays or errors in the information provided by employers and or injured workers and or delays or errors in the process of data collection and publication.

Tampoco constituye una emisión de la certificación de vigencia de la póliza para llevar a cabo trabajos de su negocio.
Nor does it constitute an issuance of the policy's validity certification to carry out work of your business.

CFSE-0566
Mayo/2018

RCD v1.1.1

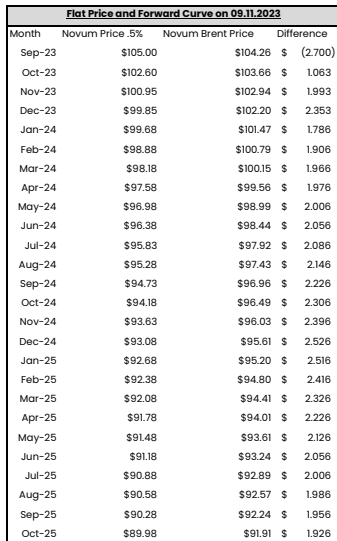


Generado Electrónicamente
Generated electronically

05/05/2023

Fecha de Emisión
Issued Date
(DD/MM/YYYY)

GPR – PRB ORDER – 10.19.2023 #16(a) & #20



Date	Novum Platts .5%	Novum Brent Price	Difference
May-23	\$118.00	\$117.00	\$1.00
Oct-23	\$120.00	\$118.00	\$2.00
Mar-24	\$125.00	\$119.00	\$6.00
Jul-24	\$125.00	\$122.00	\$3.00
Nov-24	\$124.00	\$121.00	\$3.00
Mar-25	\$123.00	\$120.00	\$3.00
Jul-25	\$122.00	\$119.00	\$3.00
Nov-25	\$121.00	\$118.00	\$3.00
Mar-26	\$120.00	\$117.00	\$3.00
Jul-26	\$119.00	\$116.00	\$3.00
Nov-26	\$118.00	\$115.00	\$3.00
Mar-27	\$117.00	\$114.00	\$3.00
Jul-27	\$116.00	\$113.00	\$3.00
Nov-27	\$115.00	\$112.00	\$3.00
Mar-28	\$114.00	\$111.00	\$3.00
Jul-28	\$113.00	\$110.00	\$3.00
Nov-28	\$112.00	\$109.00	\$3.00
Mar-29	\$111.00	\$108.00	\$3.00
Jul-29	\$110.00	\$107.00	\$3.00
Nov-29	\$109.00	\$106.00	\$3.00
Mar-30	\$108.00	\$105.00	\$3.00
Jul-30	\$107.00	\$104.00	\$3.00
Nov-30	\$106.00	\$103.00	\$3.00
Mar-31	\$105.00	\$102.00	\$3.00
Jul-31	\$104.00	\$101.00	\$3.00
Nov-31	\$103.00	\$100.00	\$3.00
Mar-32	\$102.00	\$99.00	\$3.00
Jul-32	\$101.00	\$98.00	\$3.00
Nov-32	\$100.00	\$97.00	\$3.00
Mar-33	\$99.00	\$96.00	\$3.00
Jul-33	\$98.00	\$95.00	\$3.00
Nov-33	\$97.00	\$94.00	\$3.00
Mar-34	\$96.00	\$93.00	\$3.00
Jul-34	\$95.00	\$92.00	\$3.00
Nov-34	\$94.00	\$91.00	\$3.00
Mar-35	\$93.00	\$90.00	\$3.00
Jul-35	\$92.00	\$89.00	\$3.00
Nov-35	\$91.00	\$88.00	\$3.00
Mar-36	\$90.00	\$87.00	\$3.00
Jul-36	\$89.00	\$86.00	\$3.00
Nov-36	\$88.00	\$85.00	\$3.00
Mar-37	\$87.00	\$84.00	\$3.00
Jul-37	\$86.00	\$83.00	\$3.00
Nov-37	\$85.00	\$82.00	\$3.00
Mar-38	\$84.00	\$81.00	\$3.00
Jul-38	\$83.00	\$80.00	\$3.00
Nov-38	\$82.00	\$79.00	\$3.00
Mar-39	\$81.00	\$78.00	\$3.00
Jul-39	\$80.00	\$77.00	\$3.00
Nov-39	\$79.00	\$76.00	\$3.00
Mar-40	\$78.00	\$75.00	\$3.00
Jul-40	\$77.00	\$74.00	\$3.00
Nov-40	\$76.00	\$73.00	\$3.00
Mar-41	\$75.00	\$72.00	\$3.00
Jul-41	\$74.00	\$71.00	\$3.00
Nov-41	\$73.00	\$70.00	\$3.00
Mar-42	\$72.00	\$69.00	\$3.00
Jul-42	\$71.00	\$68.00	\$3.00
Nov-42	\$70.00	\$67.00	\$3.00
Mar-43	\$69.00	\$66.00	\$3.00
Jul-43	\$68.00	\$65.00	\$3.00
Nov-43	\$67.00	\$64.00	\$3.00
Mar-44	\$66.00	\$63.00	\$3.00
Jul-44	\$65.00	\$62.00	\$3.00
Nov-44	\$64.00	\$61.00	\$3.00
Mar-45	\$63.00	\$60.00	\$3.00
Jul-45	\$62.00	\$59.00	\$3.00
Nov-45	\$61.00	\$58.00	\$3.00
Mar-46	\$60.00	\$57.00	\$3.00
Jul-46	\$59.00	\$56.00	\$3.00
Nov-46	\$58.00	\$55.00	\$3.00
Mar-47	\$57.00	\$54.00	\$3.00
Jul-47	\$56.00	\$53.00	\$3.00
Nov-47	\$55.00	\$52.00	\$3.00
Mar-48	\$54.00	\$51.00	\$3.00
Jul-48	\$53.00		