

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

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

CASE NO.: NEPR-MI-2021-0002

SUBJECT: Visits for revision of FEMA and
COR3 approved projects.

RESOLUTION AND ORDER

As per the Resolution and Order issued by the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") on March 26, 2021, ("March 26 Resolution") in the instant case, each regulated entity in charge of a component of the Puerto Rico electric system, the Puerto Rico Electric Power Authority ("PREPA"), LUMA¹ and GENERA² is required to provide certain information related to a variety of projects included in the PREPA 10 -Year Infrastructure Plan. More specifically, each specific capital investment project, regardless of the source of funding, has to be submitted for the Energy Bureau's approval to avoid potential noncompliance with the Approved Integrated Resource Plan ("IRP") and Modified Action Plan.³

To streamline the process, the Energy Bureau determined that PREPA, LUMA and GENERA shall submit the specific projects to the Energy Bureau at least thirty (30) calendar days before their submittal to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency ("COR3") and the Federal Emergency Management Agency ("FEMA"), and any other federal agency,⁴ and to continue reporting to the Energy Bureau and FEMA, within the next five (5) years, the progress of all ongoing efforts related to the final approval of the submitted projects not yet approved by the Energy Bureau.

The effective implementation of the projects in every part of the electrical system is an essential obligation of every entity in charge of a component of the Puerto Rico electric system (*i.e.*, PREPA, LUMA, GENERA, and all other Electrical Companies). All the projects shall be aligned with the objective of repairing, improving, and sustaining the reliability, capacity, and resiliency of the Puerto Rico electric system. It is also the responsibility of the Energy Bureau to ensure that these projects are implemented as approved and presented, aligned with the approved laws and regulations and with the IRP.

As of November 27, 2023, the Energy Bureau has approved 383 Scope of Works ("SOWs") submitted by PREPA, LUMA or GENERA. Over 216 of those SOWs have also been approved by COR3 and FEMA, for their implementation, as of November 09, 2023. All these SOWs are documented on Docket No. NEPR-MI-2021-0002⁵.

¹ On August 20, 2021, the Energy Bureau issued a Resolution and Order, through which it determined that the March 26 Resolution applies equally to LUMA Energy, LLC, and LUMA Energy ServCo, LLC (collectively, "LUMA").

² On January 24, 2023, GENERA PR LLC ("GENERA"), PREPA and the Puerto Rico Public-Private Partnership Authority ("P3A") executed the Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement ("LGA OMA"). According to the LGA OMA, GENERA is the sole operator and administrator of the Legacy Generation Assets ("LGA"), as defined in the LGA OMA, and the exclusive entity authorized to represent PREPA before the Energy Bureau about any matter related to the performance of the Operation and Maintenance ("O&M") services provided by GENERA under the LGA OMA. Further, as per Section 5.8(c) of the LGA OMA, GENERA is the sole entity responsible for procuring and administering federal funds for projects to repair or replace the LGA.

³ Final Resolution and Order on the Puerto Rico Electric Power Authority's Integrated Resource Plan, *In re: Review of the Integrated Resource Plan of the Puerto Rico Electric Power Authority*, Case No. CEPR-AP-2018-0001, August 24, 2020 ("IRP Order").

⁴ March 26 Resolution, pp. 18-19.

⁵ See, *In Re PREPA 10 Year Infrastructure Plan*.



Additionally, GENERA filed to the Energy Bureau, through Docket No. NEPR-MI-2021-0004⁶, several Motions submitting reports on *Grid Modernization and Emergency Work-Related Federal Funding*. These reports include a Table with the list of projects and a Schedule format titled *Genera Project Master Tracker*. This Master Tracker list includes the projects that are to be implemented in the LGA.

Given the number of projects approved and urgency for their implementation, the Energy Bureau has **DETERMINED** appropriate and in the public interest to visit and inspect the Sites⁷ where the projects will be executed to ensure the effective monitoring of the progress of the approved projects. To efficiently and effectively address the important aspects of each project, the Energy Bureau will prepare a Site Inspection Schedule identifying the projects that are to be inspected, which will be timely shared with GENERA, LUMA and PREPA. These inspections will serve to further communicate to the Energy Bureau the progress of each project, any potential issues with the execution of the project, any related subjects requiring attention or to further review. Alianza Engineering Services, the Energy Bureau Technical Consultant, will prepare and submit to the Energy Bureau a Project Monthly Progress Reports that will be shared with the GENERA, LUMA, and PREPA respective designated Point of Contact. The Project Monthly Progress Reports will include pictures of the projects, progress against the schedule, issues, and status of the budget price and expenses.

The Energy Bureau **AUTHORIZES** its Technical Consultant, Alianza Engineering Services (i.e., Eng. Hector Ramos, Eng. Harold Quiles, Eng. Raúl Vázquez) to inspect the Sites on behalf of the Energy Bureau. The Energy Bureau's Engineering Division Director, Eng. Edgardo Contreras and his staff may also join the inspections, at their discretion. be joining the visits when they request. Commissioners or other personnel from the Energy Bureau could also attend the visits. Initially, visits will be made to present the Schedule Frequency, the Engineers, and the Reports Format, that will include photos of projects and works. The photos will be taken with approved cameras only dedicated for these visits.

The Energy Bureau **ORDERS** PREPA, GENERA, LUMA to:

- (i) Designate and submit to the Energy Bureau, **within ten (10) days of the notification of this Resolution and Order**, a Point of Contact and their respective contact information (work and mobile phone numbers and email address) with whom the Energy Bureau's Engineering Division personnel will coordinate an initial meeting to present the Energy Bureau's plan to execute the inspections, the frequency of the inspections and the determine any applicable access and coordinate the Site inspections⁸;
- (ii) Provide any documentation and information required by the Energy Bureau's Engineering Division personnel and/or the Energy Bureau's Technical Consultant regarding the approved projects and the Sites; and
- (iii) Ensure that full access is timely provided for each inspection.

Be it hereby notified and published.



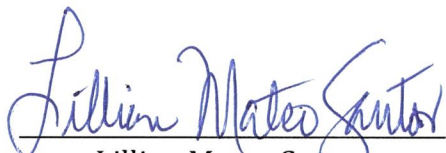
⁶ See, In Re Initial Budgets and Related Terms of Service.

⁷ The Sites include all facilities and assets related to generation, transmission and distribution including, but not limited, to the generation facilities located at Aguirre, Costa Sur, Palo Seco, San Juan, Cambalache, peaking units facilities and all other generation sites under Genera's control (existing or proposed for new projects), Transmission and Distribution facilities under LUMA's control, and generation facilities under PREPA HydroCO's control.

⁸ The inspections will be coordinated by the Energy Bureau's Engineering Division Director, Eng. Edgardo J. Contreras and his staff with the corresponding LUMA, GENERA and/or PREPA Site representatives.




Edison Aviles Deliz
Chairman




Lillian Mateo Santos
Associate Commissioner



Ferdinand A. Ramos Soegaard
Associate Commissioner



Sylvia B. Ugarte Araujo
Associate Commissioner



Antonio Torres Miranda
Associate Commissioner

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau agreed on November 29, 2023. Also certify that on November 29, 2023, I have proceeded with the filing of this Resolution and Order and was notified by email to lionel.santa@prepa.com; laura.rozas@us.dlapiper.com; margarita.mercado@us.dlapiper.com; Yahaira.delarosa@us.dlapiper.com; julian.angladapagan@us.dlapiper.com; alopez@sbglaw.com; jfr@sbglaw.com; jlago@sbglaw.com.

For the record, I sign in San Juan, Puerto Rico, today, November 29, 2023.



Sonia Seda Gaztambide
Clerk

