

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

IN RE: MAINTENANCE AND REPAIR
MANAGEMENT OF THE GENERATION
UNITS OF THE PUERTO RICO ELECTRIC
POWER AUTHORITY

CASE NO.: NEPR-MI-2021-0014

SUBJECT: GENERA's Proposed
Consumables, Spare Parts, and Capital
Spare Parts Listing.

RESOLUTION AND ORDER

On June 19, 2023, Genera PR LLC ("Genera") filed a document titled *Motion to Submit Genera PR LLC's Recommendation Letter in Compliance with the June 16, 2023 Order* (the "June 19 Motion"), in which it submitted the Recommendation Letter as Exhibit A to the June 19 Motion.

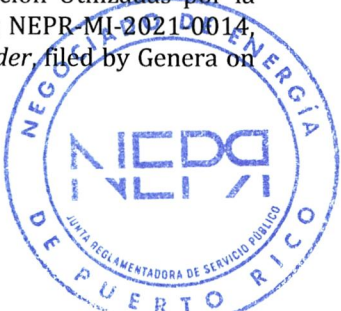
On June 30, 2023, the Energy Bureau issued a Resolution and Order titled *Genera Consumables, Spare Parts, and Capital Spare Parts Listing* ("June 30 Order"), whereby it conditionally approved Genera's initial assessment of the inventory of Consumables, Spare Parts, and Capital Spare Parts at the legacy generation sites as presented in the June 19 Motion, subject to Genera's updating its revised assessment incorporating the revisions required in Attachment A of the June 30 Order.

On July 26, 2023, Genera filed a document titled *Motion to Request Comments on Genera's Preliminary Response to the June 30, 2023, Order* ("July 26 Motion") seeking "the Energy Bureau's comments and recommendations to ensure that Genera's forthcoming submission of the final version of the revised assessment of Consumables, Spare Parts, and Capital Spare Parts is aligned with the Energy Bureau's revision stipulations outlined in the June 30 Order."

The Energy Bureau refers to Genera's responses¹ to the revisions required in Attachment A of the June 30 Order and provides below its requirements with respect to the Energy Bureau identified revisions. The Energy Bureau **DETERMINES** that Genera's responses were satisfactory with the following exception:

Revision	Energy Bureau's Revision	Genera's Response	Energy Bureau's Requirement
No. 18	San Juan 5 & 6 as Combined Cycle generation in San Juan are important due their load capacities and the voltage control provided, but, from 63 critical parts 17 are listed as zero (0) inventory in the column "Qty. in stock" equivalent to 15% of the critical parts out of stock. From 127 major parts, 54 of them are out of stock equivalent to 42% and	As part of Genera's plan to manage and optimize the Capital Spare Parts Inventory, the warehouse and inventory management processes will be improved. These actions include: <ul style="list-style-type: none">• Label each spare part so there's no question it is.• Ensure spare parts inventory categorization• Monitor how the inventory stock is depleted and replenished.	Provide the specific quantities that Genera considers low stock for each critical and major part.

¹ See, In re: Manejo del Mantenimiento y Reparaciones de las Unidades de Generación Utilizadas por la Autoridad de Energía Eléctrica de Puerto Rico para Suplir Servicio Eléctrico, Case No.: NEPR-MI-2021-0014, *Motion to Request Comments on Genera's Preliminary Response to the June 30, 2023, Order*, filed by Genera on July 26, 2023 ("July 26th Motion"), Exhibit A.



Revision	Energy Bureau's Revision	Genera's Response	Energy Bureau's Requirement
	for minor parts, 6 parts are out of stock from 60, which equals 10%. Describe what acceptable benchmarks Genera will apply for Critical Spare Parts. Also describe how Genera will consider that the quantities for critical and major parts are low in stock and procedures that will ensure adequate spare parts inventories are in place.	<ul style="list-style-type: none">• Ensure inventory accuracy by conducting cycle counts (audits of specific product groupings) throughout the year.• Make it easy for our employees to submit work orders and pull parts from warehouse shelves by storing spare parts within a centralized and properly labeled area.• Make sure the computerized maintenance management system (CMMS) - Inventory module has an extensive and user-friendly spare parts inventory management system best practices to analyze spare parts, optimize reorder points, and more.	

The Energy Bureau **ORDERS** Genera to file the final version of the revised assessment of Consumables, Spare Parts, and Capital Spare Parts incorporating the Energy Bureau's requirement in the table above, **within fifteen (15) days of the notification of this Resolution and Order.**

The Energy Bureau **WARNS** GENERA that:

- (i) noncompliance with this Resolution and Order, regulations and/or applicable laws may carry the imposition of fines and administrative sanctions of up to \$25,000 per day;
- (ii) any person who intentionally violates Act 57-2014, as amended, by omitting, disregarding, or refusing to obey, observe, and comply with any rule or decision of the Energy Bureau shall be punished by a fine of not less than five hundred dollars (\$500) nor over five thousand dollars (\$5,000) at the discretion of the Energy Bureau; and
- (iii) for any recurrence of non-compliance or violation, the established penalty shall increase to a fine of not less than ten thousand dollars. (\$10,000) nor greater than twenty thousand dollars (\$20,000), at the discretion of the Energy Bureau.

Be it notified and published.




Edison Avilés Deliz
Chairman


Lillian Mateo Santos
Associate Commissioner


Ferdinand A. Ramos Soegaard
Associate Commissioner


Sylvia B. Ugarte Araujo
Associate Commissioner


Antonio Torres Miranda
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on November 29, 2023. I also certify that on June 30, 2023 a copy of this Resolution and Order was notified by electronic mail to lionel.santa@prepa.com, margarita.mercado@us.dlapiper.com, jfr@sbgblaw.com; jlago@sbgblaw.com; alopez@sbgblaw.com; legal@genera-pr.com; regulatory@genera-pr.com. I also certify that on November 29, 2023, I proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau.

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


Sonia Seda Gaztambide
Clerk

