

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

NEPR

Received:

Dec 4, 2023

4:32 PM

IN RE: THE IMPLEMENTATION OF THE
PUERTO RICO ELECTRIC POWER
AUTHORITY INTEGRATED RESOURCE
PLAN AND MODIFIED ACTION PLAN

CASE NO.: NEPR-MI-2020-0012

**MOTION IN COMPLIANCE WITH ENERGY BUREAU NOVEMBER 29, 2023 RESOLUTION
AND ORDER**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority ("PREPA"), through its counsel of record, and respectfully submits and prays as follows:

1. On August 26, 2022, PREPA entered and signed a power purchase and operating agreement ("PPOA") for the Salinas Solar Project and an Energy Storage Services Agreement (ESSA) for the Salinas Battery Project. On July 10, 2023, the fourth amendment of the PPOA and ESSA was executed to amend, among others, the Conditions Subsequent Deadline, as defined in the amendment, to November 30, 2023.
2. On November 28, 2023, PREPA filed an urgent motion to submit a Fifth Amendment for the PPOA and ESSA for review and approval to the Puerto Rico Energy Bureau ("PREB").
3. On November 29th, 2023, the PREB issued a *Resolution and Order* where, among other things, it approved the Fifth Amendment and ordered PREPA to provide the PREB with a copy of the FOMB communication regarding the

Fifth Amendment.

4. In compliance with the PREB's order, PREPA submits the requested document.

WHEREFORE, PREPA respectfully requests that the Energy Bureau take notice of the above and deem PREPA to have complied with the PREB's November 29, 2023 Resolution and Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, on the 4th day of December 2023.

GONZÁLEZ & MARTÍNEZ
1509 López Landrón
Seventh Floor
San Juan, PR 00911-1933
Tel.: (787) 274-7404

s/Alexis G. Rivera-Medina
Alexis G. Rivera-Medina
TSPR No.: 18,747
E-mail: arivera@gmlex.net

Subject: FW: [EXTERNAL] Request for Review and Approval - Amendments to the Power Purchase and Operating Agreement 2023-P00054 and Energy Storage Services Agreement 2023-P00053 - Clean Flexible Energy LLC

Date: Tuesday, November 28, 2023 at 5:18:27 PM Atlantic Standard Time

From: Felix A Hernandez-Caban

To: Lcdo. Alexis Rivera

Attachments: image001.png, image002.jpg, image003.png, image004.png, image005.png, image006.png, image007.png, image008.png, logo_49878b15-ab70-4db5-b9fb-3394d7be0579.jpg, 036_sm_fb_a1347472-45be-4a0b-af83-b901fa688c57.png, 036_sm_in_468e365e-e301-4c97-a0b4-805cb9a8926e.png, 036_sm_twitter_ead36a19-13db-46c4-9186-b34bea9f203c.png, 036_sm_y2_45d41b4c-7f16-42de-b619-b5cde39239df.png, 036_sm_instagram_9927e091-e056-4b30-a2b6-e681664c9634.png

Felix Hernandez-Caban
Asesor Legal



**PUERTO RICO
ELECTRIC POWER
AUTHORITY**



T: 787-521-3211
FELIX.HERNANDEZ@prepa.pr.gov
<https://aeepr.com/>
San Juan, PR 00936-4267



From: Camelia Montilla <camelia.montilla@promesa.gov>
Sent: Tuesday, November 28, 2023 10:20 AM
To: Lionel E Santa Crispín <LIONEL.SANTA@prepa.pr.gov>; Manuel G. Diaz Corrada <manuel.diaz@promesa.gov>; Fausto J Hernández <fausto.hernandez@promesa.gov>; Carlos Micames <carlos.micames@promesa.gov>; Contracts <Contracts@promesa.gov>; Jaime Elkoury <jaime.elkoury@promesa.gov>; PREPA <pre@promesa.gov>
Cc: VILMARIE FONTANET-BATISTA <VILMARIE.FONTANET@prepa.com>; Felix A Hernandez-Caban <FELIX.HERNANDEZ@prepa.pr.gov>; Jaime A Umpierre-Montalvo <JAIME.UMPIERRE@prepa.pr.gov>
Subject: RE: [EXTERNAL] Request for Review and Approval - Amendments to the Power Purchase and Operating Agreement 2023-P00054 and Energy Storage Services Agreement 2023-P00053 - Clean Flexible Energy LLC

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Good morning, Mr. Santa Crispín,

Thank you for your submission.

We must remind you about the requirement for timely submission of contracts and amendments for review. The FOMB contract review policy clearly states: "In the case of proposed amendments to existing contracts, the Commonwealth or covered instrumentality, as applicable, must submit the required documentation within a minimum of **30 calendar days** prior to the proposed execution date of such amendment. In the event that the Commonwealth or covered instrumentality does not comply with these requirements, the twelve-business day review period for such contract or amendment will be deemed inapplicable."

This submission was received November 17, 2023.

Disregarding the short time frame given to the FOMB, our review indicates that the Proposed Amendment does not contemplate a material change to the contract, insofar as the term, scope and the maximum payable amount remain the same. As such, no further action is needed from the Oversight Board at this point, and you may proceed.

Cordially,



Camelia Montilla
Senior Counsel - Contract Review
Financial Oversight & Management Board for Puerto Rico

Office Phone:
[787-641-0001](tel:787-641-0001)

Email:
camelia.montilla@promesa.gov

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From: Lionel E Santa Crispín <LIONEL.SANTA@prepa.pr.gov>

Sent: Monday, November 27, 2023 8:46 PM

To: Manuel G. Diaz Corrada <manuel.diaz@promesa.gov>; Fausto J Hernández <fausto.hernandez@promesa.gov>; Carlos Micames <carlos.micames@promesa.gov>; Contracts <Contracts@promesa.gov>; Jaime Elkoury <jaime.elkoury@promesa.gov>; PREPA <pre@promesa.gov>; Camelia Montilla <camelia.montilla@promesa.gov>
Cc: VILMARIE FONTANET-BATISTA <VILMARIE.FONTANET@prepa.com>; Felix A Hernandez-Caban <FELIX.HERNANDEZ@prepa.pr.gov>; Jaime A Umpierre-Montalvo <JAIME.UMPIERRE@prepa.pr.gov>
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Good evening. In response to the RFI below, here is PREPA's answer:

As mentioned in your premise, we confirm that the costs of the contract have not changed from the amounts stipulated in the fourth amendment. The existing contract did not reflect a shared cost of interconnection. Nevertheless, CFL has confirmed that there are no savings because the cost of the shared interconnection is the same as what the interconnection cost at the Aguirre Power plant site would have been. Thus, we confirm that there are no cost changes.

Moreover, with this solely technical amendment, the operational risks caused by an additional load to the Aguirre Power Plant switchyard, which could cause a sudden loss of 900MW, that would most certainly lead to an island-wide power outage and serious damages to the electric system, are reduced to zero. It is of the utmost importance to point out the fact that this PPOA **expires on November 30, 2023**. The proponent has already warned us that this would force them to withdraw from three additional projects, two energy storage system projects (Jobos and Salinas) and another solar project (Jobos).

Therefore, we request that you conclude your review of this amendment as soon as practicable.

Thank you,

Lionel E. Santa Crispín, Esq.
Legal Affairs Director



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Lionel Santa Crispín
Jefe de División



T: 787-521-4912
 LIONEL.SANTA@prepa.pr.gov
<https://aeepr.com/>
 San Juan, PR 00936-4267



From: Manuel G. Diaz Corrada <manuel.diaz@promesa.gov>
Sent: Monday, November 27, 2023 2:21 PM
To: Lionel E Santa Crispín <LIONEL.SANTA@prepa.pr.gov>; Fausto J Hernández <fausto.hernandez@promesa.gov>; Carlos Micames <carlos.micames@promesa.gov>; Contracts <Contracts@promesa.gov>; Jaime Elkoury <jaime.elkoury@promesa.gov>; PREPA <pre@promesa.gov>; Camelia Montilla <camelia.montilla@promesa.gov>
Cc: VILMARIE FONTANET-BATISTA <VILMARIE.FONTANET@prepa.com>; Felix A Hernandez-Caban <FELIX.HERNANDEZ@prepa.pr.gov>; Jaime A Umpierre-Montalvo <JAIME.UMPIERRE@prepa.pr.gov>
Subject: RE: [EXTERNAL] Request for Review and Approval - Amendments to the Power Purchase and Operating Agreement 2023-P00054 and Energy Storage Services Agreement 2023-P00053 - Clean Flexible Energy LLC

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Good afternoon,

After our initial review of the submitted materials, we have the following questions:

- From the materials provided the costs of the contract are not changing from the amounts stipulated in the fourth amendments. Did the existing contract reflect the shared costs of interconnection? If the answer is no, then will this new interconnection sharing agreement lead to savings? If so, please provide the new cost of said contract. If there will be no changes to the total cost then please confirm that there are no cost changes.

Once we receive this information we can continue our review.

Thank you.



Manuel G. Diaz Corrada
 Law Clerk
 Financial Oversight & Management Board for Puerto Rico

Office Phone:
[787-641-0001](tel:787-641-0001)

Email:
manuel.diaz@promesa.gov

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From: Lionel E Santa Crispín <LIONEL.SANTA@prepa.pr.gov>

Sent: Friday, November 17, 2023 5:07 PM

To: Fausto J Hernández <fausto.hernandez@promesa.gov>; Carlos Micames <carlos.micames@promesa.gov>; Contracts <Contracts@promesa.gov>; Jaime Elkoury <jaime.elkoury@promesa.gov>; PREPA <pre@promesa.gov>; Camelia Montilla <camelia.montilla@promesa.gov>

Cc: VILMARIE FONTANET-BATISTA <VILMARIE.FONTANET@prepa.com>; Felix A Hernandez-Caban <FELIX.HERNANDEZ@prepa.pr.gov>; Jaime A Umpierre-Montalvo <JAIME.UMPIERRE@prepa.pr.gov>

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Good afternoon,

In accordance with the Financial Oversight and Management Board Contract Review Policy, as amended, the Puerto Rico Electric Power Authority (PREPA), hereby submits for your review and approval the Amendments to Power Purchase and Operating Agreement 2023-P00054 and Energy Storage Services Agreement 2023-P00053 - Clean Flexible Energy LLC.

PREPA's staff is available to provide additional information if needed.

Regards,

Lionel E. Santa Crispín, Esq.
Legal Affairs Director



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Lionel Santa Crispín
Jefe de División



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T: 787-521-4912
LIONEL.SANTA@prepa.pr.gov
<https://aeepr.com/>
San Juan, PR 00936-4267



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