

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

NEPR Received: Dec 12, 2023 2:09 PM
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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

SUBJECT: Motion to Submit Response in Compliance with Resolution and Order Dated November 29, 2023

MOTION TO SUBMIT RESPONSE IN COMPLIANCE WITH RESOLUTION AND ORDER DATED NOVEMBER 29, 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 June 30, 2023, the Energy Bureau of the Puerto Rico Service Regulatory Board (“Energy Bureau”) issued a Resolution and Order titled *Genera Consumables, Spare Parts, and Capital Spare Parts Listing* (“June 30th 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 outlined in Genera’s recommendation letter submitted on June 19, 2023.² This approval was subject to Genera’s updating its revised assessment incorporating the revisions

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

² See In re: Maintenance and Repair Management of the Generation Units of the Puerto Rico Electric Power Authority, Case No.: NEPR-MI-2021-0014, *Motion to Submit Genera PR LLC’S June 13 Recommendation Letter in Compliance with the June 16 Order*, filed by Genera on June 19, 2023.

required in Attachment A of the June 30th Order. Consequently, in the June 30th Order, this Energy Bureau ordered Genera to file its revised assessment of Consumables, Spare Parts, and Capital Spare Parts at the legacy generation units by no later than September 30, 2023.

2. 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 26th 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 30th Order.

3. On November 29, 2023, the Energy Bureau issued a Resolution and Order titled *GENERA'S Proposed Consumables, Spare Parts, and Capital Spare Parts Listing* (“November 29th Order”). In the November 29th Order, the Energy Bureau determined that Genera’s responses submitted in the July 26th Motion were satisfactory, with an exception to Revision No. 18, which prompted the Energy Bureau to request Genera to “Provide the specific quantities that Genera considers low stock for each critical and major part”.³

4. As such, in the November 29th Order, the Energy Bureau ordered Genera to file the final version of the revised assessment of Consumables, Spare Parts, and Capital Spare Parts, incorporating the Energy Bureau’s requirement as detailed in the table included in the November 29th Order⁴, within fifteen (15) days of the notification of the Order. This set the deadline as December 14, 2023.

5. In compliance with the November 29th Order, Genera is submitting its revised assessment of Consumables, Spare Parts, and Capital Spare Parts as Exhibit A to this motion. The

³ See November 29th Order, p. 1.

⁴ *Id.*, pp. 1-2

revised assessment includes quantities Genera deems as low stock for each critical and major part, directly responding to the Energy Bureau's directive requiring such detailed information.

WHEREFORE, Genera respectfully requests that this Energy Bureau **take notice** of the above for all purposes and **deem** Genera in compliance with the November 29th Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 12th day of December 2023.

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CERTIFICATE OF SERVICE

We hereby certify that a true and accurate copy of this motion was filed with the Office of the Clerk of the Energy Bureau using its Electronic Filing System and that we will send an electronic copy of this motion to Lionel Santa, at lionel.santa@prepa.pr.gov and Margarita Mercado Echegaray, at margarita.mercado@us.dlapiper.com.

In San Juan, Puerto Rico, this 12th day of December 2023

/s/ Alejandro López-Rodríguez
Alejandro López-Rodríguez

Exhibit A

Revised Assessment of Consumables, Spare Parts, and Capital Spare Parts

Docket Number: NEPR-MI-2021-0014

In Re: Maintenance and Repair Management of the Generation Units of the Puerto Rico Electric Power Authority

Re: Genera's Proposed Consumable, Spare Parts, and Capital Spare Parts Listing

Order:

GPR – PREB ORDER – 11.29.2023 #18

Energy Bureau's Revision:

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. Of 127 major parts, 54 of them are out of stock equivalent to 42% and for minor parts, 6 parts are out of stock from 60, which equals 10%.

- a) Describe what acceptable benchmarks Genera will apply for Critical Spare Parts.
- b) Also describe how Genera will consider that the quantities for critical and major parts are low in stock and
- c) Procedures that will ensure adequate spare parts inventories are in place.

Genera's Response:

As part of Genera's plan to manage and optimize the Capital Spare Parts Inventory, the warehouse and inventory management process will be improved. These actions include:

- 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.
- 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 storying 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.

Energy Bureau’s Requirement:

Provide the specific quantities that Genera considers low stock for each critical and major part.

Response #18:

Since the Service Commencement date of July 1st, 2023, the Genera’s Warehouse and Generation teams have been conducting detailed audit of the spare parts inventory throughout the Power plants to determine their quantities, serviceability, obsolescence, etc.

The seventeen (17) critical spare parts initially listed as zero (0) have been analysed during the current audit exercise and the findings are as follows:

Nine (9) items have the quantity needed to meet the Stock Plan.

GeneraPR | Spare Parts | San Juan CC

Item	Unit	Major Equipment	PREPA - Genera Part Number	Part Description / Specifications	Part Classification	Importance	UOM	Quantity on Hand (QOH)	Date Received	Stock Location(s)	Minimum Needed	Quantity Needed to Meet Stock Plan	Quantity on Order	Quantity Needed to be Ordered	Unit Cost (per UOM)	Total Cost of Quantities Needed
124	5.8.6	Circulating Water/Aux Circulating Water	315-82367	COUPLING, SHAFT, 315-82367, GEAR REDUCER COUPLING ,PN 350282 BORE TO 1-1/2 INCHES FOR BAC COOLING	Spares	Critical	EA	3	06-01-2023	DD039	1	0	0	0	\$167	\$0
125	5.8.6	Circulating Water/Aux Circulating Water	315-82366	COUPLING, SHAFT, 315-82366, MOTOR COUPLING ,PN 350284 BORE TO 2-1/8 INCHES FOR BAC COOLING TOWER	Spares	Critical	EA	3	06-01-2023	DD039	1	0	0	0	\$167	\$0
126	5.8.6	Circulating Water/Aux Circulating Water	315-82371	SLEEVE, COUPLING, 315-82371, COUPLING SLEEVE SURE-FLEX 1 IE, PN 350295 FOR BAC COOLING TOWER	Spares	Critical	EA	6	06-01-2023	DD039	3	0	0	0	\$214	\$0
156	5.8.6	Condensate	677-86156	(MAGNETIC ROD), AAD-1CA&2A0040	Spares	Critical	EA	2	06-07-2023	BH067	1	0	0	0	\$3,914	\$0
168	5.8.6	Condensate	677-87360	TYPE HC2A-4028-40M-SI20; CODE 1610843; NO 73698	Spares	Critical	EA	2	06-12-2023	GE007	1	0	0	0	\$980	\$0
327	5.8.6	Gas Turbine Generator	315-83111	FAN, EXHAUSTER, 315-83111, ROTRON REGENERATIVE BLOWERS- MODEL: DR 559K72 PART # 061099	Spares	Critical	EA	2	10-24-2023	GB014	1	0	0	0	\$4,004	\$0
643	5.8.6	Instrumentation/DCS	677-85447	MODULE, EMOD, ANALOG INPUT, 20MV, 50 MV, 100 MV, PART NUMBER SX00070604	Spares	Critical	EA	4	03-24-2023	CR027	1	0	0	0	\$2,551	\$0
650	5.8.6	Instrumentation/DCS	677-85512	MODULE, PMOD, VALVE POSITION, 82 OHMS, PART NUMBER 1C31197G01	Spares	Critical	EA	6	03-24-2023	CR027	1	0	0	0	\$457	\$0
813	5.8.6	Steam Turbine	315-02679	PUMP, UNQUALIFIED, 315-02679, PUMP, GEAR, DIPLOMATIC MODEL GP2-0070-R97F10N, TO BE USED ST BYPASS HYDRAULIC SYSTEM UNITS 5 & 6 SJSP.	Spares	Critical	EA	4	08-16-2023	AF029	2	0	0	0	\$715	\$0

Two (2) items have Purchase Order pending to be received.

GeneraPR | Spare Parts | San Juan CC

Item	Unit	Major Equipment	PREPA - Genera Part Number	Part Description / Specifications	Part Classification	Importance	UOM	Quantity on Hand (QOH)	Date Received	Stock Location(s)	Minimum Needed	Quantity Needed to Meet Stock Plan	Quantity on Order	Quantity Needed to be Ordered	Unit Cost (per UOM)	Total Cost of Quantities Needed
127	5 & 6	Chilling Water/Aux Chilling Water	315-83729	GEAR, BEVEL, 315-83720, FAN DRIVE, RIGHT ANGLE AMARILLO MODEL F110	Spares	Critical	EA	0	02-13-2023	PC87659	1	1	2	0	\$15,029	\$0
651	5 & 6	InstrumentationDCS	677-56796	MODULE, EMOD, RIO NODE, PART NUMBER 1C31209G01	Spares	Critical	EA	0	05-27-2019	PC83737	1	1	2	0	\$3,030	\$0

Four (4) items have Purchase Requisitions pending to be process.

GeneraPR | Spare Parts | San Juan CC

Item	Unit	Major Equipment	PREPA - Genera Part Number	Part Description / Specifications	Part Classification	Importance	UOM	Quantity on Hand (QOH)	Date Received	Stock Location(s)	Minimum Needed	Quantity Needed to Meet Stock Plan	Quantity on Order	Quantity Needed to be Ordered	Unit Cost (per UOM)	Total Cost of Quantities Needed
390	5 & 6	Gas Turbine	315-01770	SEAL, UNQUALIFIED, 315-01770, SEAL, BEARING, ITEM NO. 30, BUFFALO PUMP MODEL VCRE 7011. TO BE USED MECHANICAL FOR SISTEMA LUBRICACION CT UNITS	Spares	Critical	EA	0	12-08-2023	PR	1	1	2	0	\$30	\$0
391	5 & 6	Gas Turbine	315-01788	RING, SEAL, 315-01788, RING, SEALING, ITEM NO. 134, BUFFALO PUMP MODEL VCRE 7011. TO BE USED MECHANICAL FOR SISTEMA LUBRICACION CT UNITS S-	Spares	Critical	EA	0	12-08-2023	PR	1	1	2	0	\$60	\$0
394	5 & 6	Gas Turbine	315-01811	O-RING, UNQUALIFIED, 315-01811, O-RING, ITEM NO. 255, BUFFALO PUMP MODEL VCRE 7011. TO BE USED MECHANICAL FOR SISTEMA LUBRICACION CT UNITS	Spares	Critical	EA	0	12-08-2023	PR	1	1	2	0	\$25	\$0
642	5 & 6	InstrumentationDCS	677-85439	MODULE, EMOD, H P ANALOG INPUT, 4-20 MA HART, PART NUMBER 5X00106G01	Spares	Critical	EA	0	12-08-2023	PR	1	1	2	0	\$1,940	\$0

Two (2) items have 0 in the column "Minimum Needed" to meet the Stock Plan.

GeneraPR | Spare Parts | San Juan CC

Item	Unit	Major Equipment	PREPA - Genera Part Number	Part Description / Specifications	Part Classification	Importance	UOM	Quantity on Hand (QOH)	Date Received	Stock Location(s)	Minimum Needed	Quantity Needed to Meet Stock Plan	Quantity on Order	Quantity Needed to be Ordered	Unit Cost (per UOM)	Total Cost of Quantities Needed
663	5 & 6	InstrumentationDCS	677-87138	CONTROLLER, MODULE, KIT, EMERSON / OVATION OCR-400, REFERENCE NUMBER 5X00247G01	Spares	Critical	EA	0		Not Needed	0	0	0	0	\$39,200	\$0
664	5 & 6	InstrumentationDCS	677-87021	CABLE ASSEMBLY, IOIC RIO 10 FEET LONG, REFERENCE NUMBER 5X00238G18, TO BE USED WITH OVATION CONTROLLER OCR400.	Spares	Critical	EA	0		Not Needed	0	0	0	0	\$536	\$0

Note: Spare parts with zero (0) minimum quantity are for items that will be ordered on request basis (ORB) as guided by the Generation team.