

**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: Resolution and Order regarding
*Urgent Motion Submitting for Review and
Approval of the Scope of Work for the
Transfer/Ownership to PREPA of the
Temporary Generation Units and Motion in
Compliance with the January 19th, 2024
Resolution and Order*, filed by the Puerto
Rico Electric Power Authority.

RESOLUTION AND ORDER

On January 14, 2024, the Puerto Rico Electric Power Authority ("PREPA") filed before the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") a document titled *Urgent Motion Submitting for Review and Approval of the Scope of Work for the Transfer/Ownership to PREPA of the Temporary Generation Units* ("January 14 Motion"). Through the January 14 Motion, PREPA informed that on January 5, 2024, the Federal Emergency Management Program ("FEMA") sent a letter to the Puerto Rico Central Office for Recovery, Reconstruction, and Resiliency ("COR3") approving the negotiation of the acquisition of the temporary generation units installed in the Palo Seco Steam Plant (150MW) and the San Juan Power Plant (200MW) ("Temporary Units").¹ Further, it indicated that FEMA would provide funding for the acquisition of the Temporary Units.² PREPA seeks the Energy Bureau's approval of the initial Scope of Work for the acquisition and ownership to PREPA of the Temporary Units. Particularly, PREPA requested that the Energy Bureau evaluate and grant leave to conduct all tasks necessary to transfer ownership of the Temporary Units to PREPA; grant leave to continue working with all the associated permitting activities to continue dispatching the Temporary Units until the Integrated Resource Plan revision process makes a different determination; and grant leave to continue supporting COR3 with the federal processes available to have the costs of the Temporary Units reimbursed with federal funds.³ PREPA also requested that Exhibits 1-14 filed with the January 14 Motion be considered confidential.⁴

Upon review of the January 14 Motion, on January 19, 2024, the Energy Bureau issued a Resolution and Order whereby it ordered the PREPA to notify the Puerto Rico Public-Private Partnerships Authority ("P3 Authority") of its intent to acquire the two-emergency power generating units with a combined 350MW capacity in the Palo Seco and San Juan sites, within five (5) business days, so applicable procedures can take place. The Energy Bureau also ordered LUMA⁵ to, within five (5) business days, submit before the Energy Bureau an updated version of the *Second Demobilization Report*, filed on January 16, 2024, addressing the potential transfer and ownership of the Temporary Units in San Juan and Palo Seco.

The Energy Bureau further granted PREPA, LUMA, and GENERA PR, LLC ("GENERA") ten (10) business days to, in a collaborative manner, identify and inform the specific sources of funding for the acquisition of such equipment and/or outline potential funding scenarios. Last, the Energy Bureau granted PREPA, LUMA, and GENERA ten (10) business days to collaborate and inform the Energy Bureau if the acquisition of the Temporary Units alters

¹ January 14 Motion, p. 11.

² *Id.*

³ *Id.*, p. 21.

⁴ *Id.*, pp. 21 – 22.

⁵ LUMA Energy, LLC and LUMA Energy ServCo, LLC (referred to jointly as "LUMA").



projects previously approved by the Energy Bureau and to specify how they would be affected.

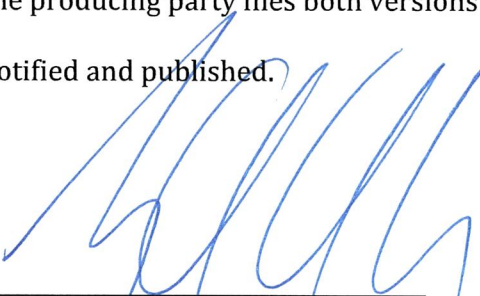
The Energy Bureau stated that PREPA's request for confidentiality would be resolved in a separate Resolution.

On January 22, 2024, PREPA filed a document titled *Motion in Compliance with the January 19th, 2024 Resolution and Order* (January 22 Motion"). Through the January 22 Motion, PREPA informed that on January 22, 2024 it notified the P3 Authority of its intent to acquire the referenced emergency power generation units.⁶ PREPA attached the letter sent to the P3 Authority as Exhibit 1 of the January 22 Motion. PREPA further stated that acquiring those units would only require amending Annex I (Legacy Generation Assets) of the Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement.⁷ PREPA maintained that the emergency power generation units would be acquired with federal funds allocated to the reconstruction of Puerto Rico's electrical infrastructure through the Central Office for Recovery, Reconstruction, and Resiliency ("COR3"), Puerto Rico Governor's Authorized Representative ("GAR"), and the sub-recipient, PREPA.⁸ PREPA also requested that Exhibit 1 of the January 22 Motion be considered confidential.⁹

The Energy Bureau **TAKES NOTICE** of the January 22 Motion.

Regarding the confidentiality of the Exhibits filed with the January 14 and January 22 Motions, PREPA vaguely alleged that the information in such Exhibits was part of a negotiation process and incorporates trade or business secrets. The Energy Bureau **FINDS** that PREPA did not comply with the process to designate confidential information and **ORDERS** PREPA to, **within (5) five business days**, comply with the requirements set forth in the Energy Bureau's Policy in Management of Confidential Information.¹⁰ The Energy Bureau further **REMINDS** PREPA to provide a table containing a list of all the documents included as Confidential Information, adhering to the format identified in referenced policy. Additionally, PREPA must simultaneously file a redacted or public version and an un-redacted or confidential version of any document containing Confidential Information. The filing of any document containing Confidential Information will not be deemed complete until the producing party files both versions of the document.


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

⁶ January 22 Motion, p. 1, ¶ 2.

⁷ *Id.*, pp. 1 – 2, ¶ 3.

⁸ *Id.*, p. 2, ¶ 4.

⁹ *Id.*, p. 3, ¶ 7.


¹⁰ See Resolution, *In Re: Policy on Management of Confidential Information in Procedures Before the Commission*, Case No. CEPR-MI-2016-0009, August 31, 2016.



CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau have agreed on January 26, 2024. Associate Commissioner Antonio Torres Miranda did not intervene. I also certify that in January 26, 2024 a copy of this Resolution and Order was notified by electronic mail to the following: arivera@gmlex.net; laura.rozas@us.dlapiper.com; margarita.mercado@us.dlapiper.com, Yahaira.delarosa@us.dlapiper.com; julian.angladapagan@us.dlapiper.com; alopez@sbgblaw.com; jfr@sbgblaw.com; jlago@sbgblaw.com, legal@genera-pr.com; regulatory@genera-pr.com; and I have moved forward with filing the Resolution and Order issued by the Puerto Rico Energy Bureau.

I sign this in San Juan, Puerto Rico, today January 26, 2024.



Sonia Seda Gaztambide
Clerk

