



**Transmittal Letter Presented Electronically**

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Energy Bureau, Public Service Regulatory Board  
268 Avenue Muñoz Rivera  
World Plaza Building  
7th Floor, Suite 704  
San Juan, Puerto Rico 00918  
Attention: Chairman and President – Mr. Edison Avilés Deliz

**Re: Decommissioning – Vega Baja Decommissioning Plan**

Dear Chairman, Avilés-Deliz:

We refer to the Operation and Maintenance Agreement (“OMA”) dated as of January 24, 2023, by and among the Puerto Rico Electric Power Authority (“Owner” or “PREPA”), the Puerto Rico Public-Private Partnership Authority (“Administrator” or “P3A”) and Genera PR LLC (“Operator” or “Genera”). Capitalized terms not defined in this letter shall have the meanings ascribed to them in the OMA.

On the Commencement Date under the OMA, Genera inherited certain procurement processes to improve energy reliability and the mix of cleaner, more efficient fuels being used during peak hours of power demand. These included a procurement process for multiple new peaking units to be located at existing Generation Sites across the island (“Peaker RFP”). After assessing the Peaker RFP scope and requirements under the Orders and Resolutions issued by the PREB, Genera modified the RFP structure without altering the timeline. PREB approved the modification to the Peaker RFP on November 8, 2023. Genera expects the Peaker RFP to result in 330 MW of new generation with capability to provide black start and other ancillary services.

Genera also seeks to support the power grid and Legacy Generation Assets (“LGA”) with battery energy storage systems (“BESS”), which can facilitate increased renewable energy while also moderating frequency, essentially acting analogous to a “shock absorber” for the LGA. Genera believes 430 MW of BESS systems can reduce load shedding in Puerto Rico by 90%. Genera has identified federal funds available for the acquisition of BESS to be located at Generation Sites around the island, and both PREB and the Federal Emergency Management Agency (“FEMA”) have approved their acquisition. Genera initiated a procurement process for the purchase of 430 MW of BESS (the “BESS RFP”) earlier this year and expects to award both the BESS RFP and the Peaker RFP before the end of May.

Most of the projects contemplated by the Peaker RFP and the BESS RFP require the demolition of existing LGA. This means LGA decommissioning will generally occur earlier than anticipated at the time the OMA was executed; the OMA also did not contemplate replacement of demolished LGA with new assets. While the Administrator and Genera are communicating regarding the



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issuance of the Decommissioning Notice under the OMA for the two LGA located at Vega Baja, we kindly request PREB's review of and input on our preliminary draft of the Decommissioning Plan (the "Draft Plan"). We have attached the Draft Plan as **Annex A**.

Genera and its advisors prepared this Draft Plan pursuant to the requirements of the OMA. The plan outlines how Genera intends to approach, execute, record, and complete the Decommissioning Services, including the permitting, demolition, decontamination, waste disposal and dismantling/or preparation to host new BESS units, as well as the schedule and Decommissioning Budget for these services. No employees will need to be relocated or transferred to a new function for this site. (Note that the Draft Plan does not address installation or interconnection of BESS, which will have separate processes with LUMA and other stakeholders.)

In parallel with the preparation of the Draft Plan, Genera has published a Demolition RFP for the Vega Baja LGA (the "Demolition RFP"). The contractor procured through the Demolition RFP will implement a significant portion of the final Decommissioning Plan. Genera will use feedback from P3A and PREB from their review of the Draft Plan to refine the Demolition RFP scope (if necessary) and likewise use feedback from the proponents in the Demolition RFP to refine the schedule, budget, and scope of the Draft Plan. Once Genera has more accurate cost and schedule information from the Demolition RFP, and the Decommissioning Notice has been issued, Genera will submit a final version of the Draft Plan for approval of P3A and PREB. Genera will not award the Demolition RFP until the P3A and PREB finally approve the Decommissioning Plan, but coordination and communication in advance will allow Genera to implement this first project as quickly as possible.

To move these efforts forward, we kindly request the PREB to open a formal proceeding to evaluate the Draft Plan (if any) no later than 30 days after receiving this letter. It is worth noting that Genera understands that the evaluation requested from PREB may not be final since a Decommissioning Notice has not been formally issued by Administrator and a final review process will need to be carried out once Genera submits the final proposed plan. However, an initial review will help Genera confirm regulatory compliance and coordinate stakeholder feedback and revisions to the various processes.

We look forward to your response and remain available to discuss as needed.

Should you have any questions, please contact Mrs. Katuska Bolaños, Chief Regulatory Officer, at [kbolanos@genera-pr.com](mailto:kbolanos@genera-pr.com).

*[Signature Page to Follow]*



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Cordially,

**Genera PR LLC**

A handwritten signature in black ink, appearing to read "Katuska".

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Katuska Bolaños  
Chief Regulatory Officer  
Authorized Signatory

With Copy to:

LUMA Energy Servco LLC  
1500 Ave. Franklin Delano Roosevelt  
Guaynabo, PR 00969  
Attn: Chief Executive Officer – Juan Saca



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## Annex A