

**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: Resolution and Order pertaining
to *Motion in Compliance with Order to Show
Cause Dated August 30, 2024*, filed by
Genera PR, LLC.

RESOLUTION AND ORDER

On August 30, 2024, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") ordered Genera PR, LLC ("Genera") to, on or before September 5, 2024, show cause to as to why the Energy Bureau should not impose the maximum administrative fine of up to twenty-five thousand dollars (\$25,000) per day for each of the oversight field visit cancellations that occurred on August 19, August 20, and August 26, 2024. Further, the Energy Bureau ordered Genera to designate separate staff to accommodate the needs of the Energy Bureau's programmed visits, regardless of any ongoing emergencies.

On September 5, 2024, Genera filed a document titled *Motion in Compliance with Order to Show Cause Dated August 30, 2024* ("September 5 Motion"). In its September 5 Motion, Genera addressed the reasons for the cancellation of the scheduled visits. Genera also stated that it had taken steps to ensure coordination with the Energy Bureau to establish dates for site inspection; availability of personnel from the Operations, Regulatory, and Projects departments during these meetings to answer questions and support any field or works inspections; and the designation of a Senior Manager in the Regulatory Department as the lead for this coordination.¹

The Energy Bureau **DETERMINES** not to impose a fine to Genera at this time. The Energy Bureau **WARNS** Genera that should a similar incident recur, the Energy Bureau will proceed with the imposition of a fines, in accordance with Art. 6.36 of Act 57-2014.²

The Energy Bureau **ORDERS** Genera to designate separate staff, **preferably including a plant manager**, to accommodate the needs of the Energy Bureau's planned visits, **regardless of any ongoing emergencies**. The designated person(s) must have knowledge on the progress and status of all the federally funded projects. These visits will include site walkthrough as well as the taking of photographs for documentation purposes. Further, such visits may comprise the discussion of important *Necessary Maintenance Expenses* ("NME") jobs at the site.

The Energy Bureau **SCHEDULES** the upcoming visits from the Energy Bureau's consultants to Genera's facilities as follows:

- (i) **Palo Seco** - Thursdays, every two weeks, 1:00p.m., starting on Thursday, September 12, 2024.
- (ii) **San Juan** - Mondays, every two weeks, 1:00p.m., starting on Monday, September 16, 2024.
- (iii) **Costa Sur and Aguirre** - second and fourth Tuesday of the month, starting on Tuesday, September 24, 2024: Costa Sur 9:00a.m., Aguirre 1:00p.m.

Visits to **Cambalache, Mayagüez, and any other site** where there is a project in progress will be coordinated separately with at least a weeks' notice.

The Energy Bureau **REITERATES** it will not tolerate any further cancellations or delays of programmed visits. Should there be unjustified additional cancellations, Genera will face

¹ September 5 Motion, p. 8.

² Known as *Puerto Rico Energy Transformation and RELIEF Act*, as amended.



potential additional fines of up to **twenty-five thousand dollars (\$25,000)** per day to ensure compliance and accountability, in accordance with Art. 6.36 of Act 57-2014.

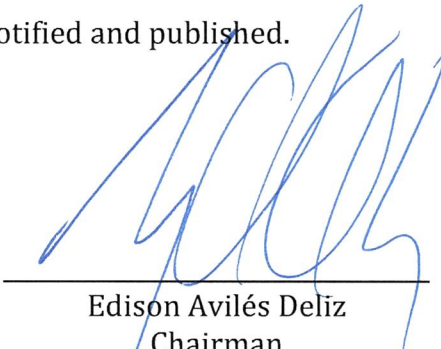
The Energy Bureau **WARNS** Genera that the payment of any fine must be satisfied using the money it receives as payment (*i.e.*, Service Fee) under its contract; such payment shall not be considered, construed or treated as a cost attributable to customers or pass-through expenditures.

The Energy Bureau **WARNS** Genera that its actions in repeatedly cancelling scheduled oversight visits and its failure to provide adequate justification will be considered a deliberate and intentional obstruction of the functions of the Energy Bureau and may be considered a criminal offense, potentially subjecting it to legal consequences as provided in Art. 6.36 of Act 57-2014.

The Energy Bureau **WARNS** Genera that in accordance with Art. 6.36 of Act 57-2014:

- (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.

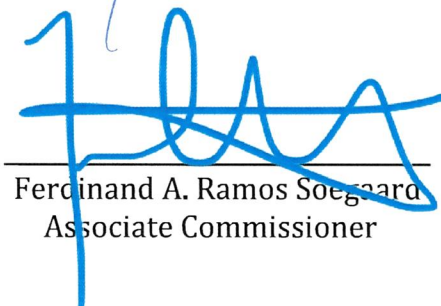
Be it notified and published.



Edison Avilés Deliz
Chairman



Lillian Mateo Santos
Associate Commissioner



Ferdinand A. Ramos Soegard
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 September 6, 2024. Associate Commissioner Sylvia B. Ugarte Araujo did not intervene. I also certify that on September 6, 2024, a copy of this Resolution and Order was notified by electronic mail to arivera@gmlex.net; mvalle@gmlex.net, margarita.mercado@us.dlapiper.com, valeria.belvis@us.dlapiper.com; jfr@sbgblaw.com; alopez@sbgblaw.com; legal@genera-pr.com; regulatory@genera-pr.com, and I have 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 September 6, 2024.



Sonia Seda Gaztambide
Clerk

