

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

NEPR Received: Oct 30, 2024 6:11 PM
--

IN RE: 10-YEAR PLAN FEDERALLY
FUNDED COMPETITIVE PROCESS

Case No.: NEPR-MI-2022-0005

Motion Requesting Leave to Relocate San
Juan RICE Generation Unit to Costa Sur

**MOTION REQUESTING LEAVE TO RELOCATE SAN JUAN RICE GENERATION
UNIT TO COSTA SUR**

TO THE ENERGY BUREAU:

COMES NOW, GENERA PR, LLC (“Genera”), through its undersigned counsel and, very respectfully, states and prays as follows:

1. On January 23, 2023, the Puerto Rico Energy Bureau (“PREB”) issued a *Resolution and Order* (“January 23 Order”) that conditionally approved PREPA’s RFP process for the procurement of emergency peaker generation systems at Jobos, Dagua, and Palo Seco (“the Projects”), subject to various conditions.

2. The January 23 Order approved and provided the flexibility to consider the best mix of capacity and locations for the emergency generation. When Genera received the bids for the competitive process, it conducted an evaluation titled *Grid Support Units Project Update* (“GSUPU”). The GSUPU, among other things, considered the optimization of the purchasing process, taking into consideration the benefits of reconfiguration of locations and different sizes of units.

3. On June 5, 2024, Genera filed a *Motion to Submit the Grid Support Units Update Evaluation for the Emergency Generation and Black Start Generation Procurement in Compliance with Resolution and Order of January 23, 2023* (“June 5 Motion”). Through this Motion, Genera requested authorization to continue with the project as presented in the GSUPU, including the new units’ configuration resulting from the RFP process.

4. On June 21, 2024, the PREB issued a *Resolution and Order* (“June 21 Order”) instructing Genera to submit a response to the *Second Request for Information*, which was attached as an addendum to the June 21 Order. Genera was to respond with ten (10) business days of the June 21 Order.

5. On July 8, 2024, Genera filed its *Responses to the Second Request for Information*, which contained an updated version of the GSUPU.

6. On July 23, 2024, the PREB issued a *Resolution and Order* approving eight (8) reciprocating internal combustion engine (“RICE”) generation units and two 50 MW gas turbine generators (“GTGs”) units at Costa Sur. However, the PREB denied the deployment of three (3) 50 MW gas turbine units to San Juan. Genera’s initial request for the San Juan site included three (3) GTGs and one (1) RICE generator; however, only the RICE unit was approved. Thus, per PREB’s order, the only generation equipment to be installed in San Juan is (1) RICE generator.

7. Following PREB’s approval, Genera reassessed the project in San Juan, and with the removal of the GTG units, the project was reduced from 168 MW to only 18 MW. Genera analyzed the option of relocating San Juan’s single RICE unit to alternative existing generating facilities to provide a common RICE power plant configuration for all facilities, simplifying operations and maintenance and staffing, along with redundancy to manage periodic outages. Accordingly, Genera has determined that Costa Sur would be a better alternative for this RICE

unit for the reasons listed in the document titled *Request for Leave to Relocate San Juan RICE Generation Unit to Costa Sur*, attached herewith as Exhibit A. In short, Genera believes that Costa Sur is a better fit because of: (1) Space availability; (2) Points of Interconnection availability; (3) Common Infrastructure; (4) Simplified installation; (5) Simplified operation and maintenance; (6) Storage and logistics of spare parts; and (7) Availability of natural gas and liquid fuel.

8. With this modification, the configuration of the new RICE generators and GTG units will produce the same power output, but would be configured as set forth on the second table of Exhibit A. Moreover, this relocation will not impact acquisition, decommissioning, installation, or commissioning timelines, funding, or costs.

WHEREFORE, for the reasons stated herein and on Exhibit A, Genera respectfully requests approval to relocate the San Juan RICE to Costa Sur.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 30th day of October, 2024.

It is hereby certified that this motion was filed using the electronic filing system of this Energy Bureau, and that electronic copies of this Motion will be notified to the following attorneys who have filed a notice of appearance in this case: **Lcdo. Alexis Rivera**, arivera@gmlex.net; **Lcda. Mirelis Valle Cancel**, mvalle@gmlex.net; **Lcda. María Teresa Bustelo-García**, mbustelo@gmlex.net.

ROMAN NEGRÓN LAW, PSC
Attorneys for Genera PR, LLC
P.O. Box 360758
San Juan, PR 00936
Tel. (787) 979-2007

s/Luis R. Román Negrón
Luis R. Román Negrón
RUA 14,265
lrn@roman-negron.com

Exhibit A – Request for Leave to Relocate San Juan RICE Generation Unit to Costa Sur

Docket Number: NEPR-MI-2022-0005

In Re: 10 Years Federally Funded Competitive Process

Re: Request for Leave to Relocate San Juan RICE Generation Unit to Costa Sur

On June 5, 2024, Genera submitted for Puerto Rico Energy Bureau (PREB) *Motion to Submit the Grid Support Units Update Evaluation for the Emergency Generation and Black Start Generation Procurement*¹ including the new units' configuration resulting from the RFP process, followed by an updated version through a response to PREB's request of information submitted on July 8, 2024.

The PREB in its July 23, 2024, Resolution and Order approved 8 reciprocating internal combustion engine (RICE) generation units and two 50 MW gas turbine generators (GTGs) units at Costa Sur o The PREB denied the deployment at San Juan of (3) 50 MW gas turbine units. The final Emergency Generation and Black Start Generation configuration is summarized in the table below:

	RICE MW	# of Units	RICE Total	GT MW	# of Units	GT Total	Total MW
Costa Sur	18	1	18	50	2	100	118
San Juan	18	1	18				18
Daguao	18	2	36				36
Jobos	18	2	36				36
Yabu- coa	18	2	36				36
Total		8	144		2	100	244

Genera's initial request for the San Juan site included three (3) GTGs and one (1) RICE generator, however only the RICE unit was approved. Following PREB's approval, Genera reassessed the project at San Juan—with the removal of the GTG units, the project was reduced from 168 MW to only 18 MW. The San Juan Power Plant is a complex site since it operates and maintains steam and combined cycle power generation units; vital 38 kV and 115 kV switchgear for the San Juan area; diesel, heavy fuel oil and natural gas facilities; along with the associated support buildings, all in a relatively compact area. The proposed new black start and emergency generation equipment at San Juan required the demolition and relocation of warehouses, a workshop, and fuel tanks to facilitate the installation of the new projects. With the approval of only one (1) RICE unit at San Juan, Genera would face many of the challenges described above, for only a small gain in emergency generation capacity. Cost efficiency is a major factor in this analysis.

Genera analyzed the option of relocating San Juan's single RICE unit to alternative existing generating facilities to provide a common RICE power plant configuration for all facilities, simplifying operations and maintenance and staffing, along with redundancy to manage periodic outages. Genera has determined that Costa Sur would be a better alternative for this RICE unit for the reasons listed below:

- Space availability – The Costa Sur power plant has available space that can be utilized, thus minimizing the impact and risk to existing plant operations. Other project locations, including the existing power plants, lack the availability to install a new generating unit with all the associated equipment and systems without the need for major demolition work and careful reconfiguration work so that existing operations may continue without impact.
- Points of Interconnection availability – The Costa Sur Units 1, 2, 3 and 4 are non-operational steam units that are being

demolished. As a result, there are numerous available points for the interconnection of new generation units within the plant's switchyards.

- Common Infrastructure – Since Costa Sur already has a RICE unit approved for installation, a second RICE unit may be installed and may share foundations, a building (engine hall), auxiliary equipment (e.g., mechanical auxiliary systems, electrical switchgear, GSU transformer), fuel piping, control system, fuel protection system, cranes, among other equipment and systems. Common infrastructures are less costly, on a per unit basis, to put in place when compared to stand-alone infrastructures.
- Simplifies installation – Construction and installation crews can be deployed to fewer sites so that staffing, equipment and tools may be shared for each new project site. Common installations are less costly, on a per unit basis, to put in place when compared to stand-alone installations.
- Operation and maintenance – Genera will be able to have operating staff for RICE units in fewer locations, which will also simplify operations and maintenance activities. Also, fewer new project sites would be included in the long-term service agreement.
- Spare parts – The storage and logistics of spare parts would be needed in fewer locations.
- Availability of natural gas and liquid fuel – All the units to be purchased by Genera have dual-fuel capability. Both, RICE generators and GTGs, can burn natural gas and diesel, and Costa Sur has access to larger volumes of both fuels when compared to the peaking sites.

With this modification, the configuration of the new RICE generators and GTG units will produce the same power output, however, would be configured as follows:

	RICE MW	# of Units	RICE Total	GT MW	# of Units	GT Total	Total Fossil MW
Costa Sur	18	2	36	50	2	100	136
San Juan			0				0
Daguao	18	2	36				36
Jobos	18	2	36				36
Yabucoa	18	2	36				36
Total		8	144		2	100	244

Genera respectfully requests approval to relocate the San Juan RICE to Costa Sur. This relocation will not impact acquisition, decommissioning, installation, or commissioning timelines, funding, or costs.