

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

IN RE: REQUEST FOR CERTIFICATION
ENERNET CHP ONE LLC

CASE NO.: NEPR-CT-2024-0009

SUBJECT: Resolution in response to
November 12, 2024 Motion.

RESOLUTION

I. Introduction

On September 23, 2024, Enernet CHP ONE LLC ("Enernet CHP ONE") filed before the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") a Request for Certification as an Electric Power Service Company and for Certification as Highly Efficient Generation ("Application").

On October 23, 2024, the Energy Bureau issued a Resolution ("October 23 Resolution") stating the Application was incomplete and granted Enernet CHP ONE fifteen (15) days from the notification of the October 23 Resolution to file additional information and documents required to complete the Application. On November 7, 2024, Enernet CHP ONE filed before the Energy Bureau a document titled *Motion to Request an Extension to Comply with the October 23, 2024 Resolution and Order* through which requested until November 28, 2024 to comply with the October 23 Resolution, which the Energy Bureau granted.

On November 12, 2024, Enernet CHP ONE filed before the Energy Bureau a document titled *Motion in Compliance with the October 23, 2024, Resolution and Order, and to Request Confidential Treatment* ("November 12 Response"). In its November 12 Response, Enernet CHP ONE provided additional information and documents to be included in the Application. The Application now includes the following documents:

1. Form NEPR-B01 (Personal Information) with supporting documentation:
 - Certificate of Good Standing from the Puerto Rico Secretary of State
 - Certificate of Organization from Puerto Rico Secretary of State
 - Supplemental Attachment II-1: Enernet CHP One, LLC Board Members and Corporate Structure
2. Form NEPR-B03 (Operational Report) with:
 - Supplemental Attachment II-2: Annexes to the Operational Report
 1. Demand Projections for the First Year of Operation
 2. Rate and Charges Information
 3. Projected Capital Investments
 4. Credentials of Contracted Entities
 5. Statement on Referral to EPPP and supporting letter
 - Supplemental Attachment II-2: Annexes to the Operational Report
3. Form NEPR-B04 (Request for Certification) with:
 - Supplemental Attachment II-3: Annexes to Request for Certification
 1. Information on contracts with PREPA
 2. CPA-Certified Financial Statement



- 3. Human Resources Statement
- 4. Certification of Economic Capacity and Solvency
- 5. Generation Systems Description
- 6. Generator Specification Sheet
- 7. Absorption Chiller Specification Sheet
- Supplemental Attachment II-3: Annexes to Request for Certification
- Supplemental Attachment II-4: Permits, Authorizations, and Endorsement
 - 1. Permits Status
 - 2. Construction Permit
 - 3. Environmental Recommendation
 - 4. Environmental Declaration
 - 5. Permiso Unico
- Supplemental Attachment II-4: Permits, Authorizations, and Endorsement
- 4. Power Purchase Agreement & Amendments
 - Power Purchase Agreement & Amendments
- 5. High Efficiency Generation Statement
 - High Efficiency Generation Statement
- 6. Evidence of Payment for Personal Information, Operational Report, and Certification
 - Evidence of Payment

In its Application, Enernet CHP ONE requested that the Energy Bureau (i) certify Enernet CHP ONE as an Electric Service Company under Regulation No. 8701; (ii) certify that the CHP system meets the definition of the term Highly Efficient Generation for Act 60-2019¹; and (iii) provide confidential treatment to certain information filed with the Application.

II. Applicable Law and Analysis

Act No. 57-2014² requires all electric service companies³ to obtain a certification⁴ and to file certain information under the terms established by the Energy Bureau.

¹ Known as the *Puerto Rico Incentives Code*, as amended, ("Act No. 60-2019").

² Known as the *Puerto Rico Energy Transformation and RELIEF Act*, as amended, ("Act 57-2014").

³ Section 1.3(1) of Act 57-2014 defines the term 'Electric Power Company' or 'Electric Power Service' as follows: 'Shall mean any natural or juridical person or entity, energy cooperative, engaged in the provision of generation services, transmission and distribution services, billing, wheeling, grid services, energy storage, resale of electric power as well as any other electric power service as defined by the Bureau. The Electric Power Authority or its successor as well as any Contractor under a Partnership or Sales Contract executed in relation to PREPA Transactions conducted by virtue of Act No. 120-2018 shall be deemed Electric Power Service Companies for purposes of this Act.'

⁴ See Section 6.13 of Act 57-2014. See also Section 1.3(h) of Act 57-2014 which defines the term "Certified" as follows: "Shall mean every electric power service company that has been evaluated and authorized by the Energy [Bureau]."



Sections 2.01 and 3.03 of Regulation 8701⁵ describe the information that every electric service company seeking to offer services in Puerto Rico must submit with its Request for Certification.⁶

Section 3.05 of Regulation 8701 empowers the Energy Bureau to issue a cease-and-desist order, revoke, and annul any decision, ruling or order issued in relation to the process of any Request for Certification, when an electric service company "... has failed to comply with its duty to provide or update the information required under Act 57-2014, as amended, or this Regulation."

A. Request for Certification as Electric Power Company

Enernet CHP ONE submitted various documents containing information required by Sections 2.01 and 3.03 of Regulation 8701. After careful examination, Enernet CHP ONE **MEETS** all requirements as stated in Regulation 8701.

B. Request for Certification as Highly Efficient Generation

Enernet CHP ONE has requested certification that its CHP system meets the definition of Highly Efficient Generation for Act 60-2019, as established in the November 16, 2021, Resolution in Docket No. CEPR-MI-2016-0017.⁷

For the purposes of f Act 60-2019, a generation unit or system is considered "Highly Efficient" if it meets the Emissions Requirements and the Operations Requirement as follows:

1. Emissions Requirement

The average annual rate of carbon dioxide emissions from the generating unit, as measured in pounds per megawatt-hour (lbs/MWh), is lower than the United States nationwide average for plants with the same primary fuel and primary fuel generation category as reported in the U.S. Environmental Protection Agency's Emissions & Generation Resource Integrated Database ("eGRID") (or successor source) for the most recent year in which data is available. The Energy Bureau may modify the referenced limits based on updates to the eGRID (or successor) data. According to eGRID's 2019 data, natural gas-fired electricity generating units emit an average of approximately 1433 pounds of carbon dioxide (CO₂) per megawatt-hour (lbs/MWh).²

Enernet CHP ONE determined that the emissions rate for its system would be 994 lbs/MWh which is below the average rate carbon emission allowed by the Energy Bureau. Therefore, Enernet CHP ONE **MEETS** the emission requirement for Highly Efficiency Generation classification.

2. Operational Requirement

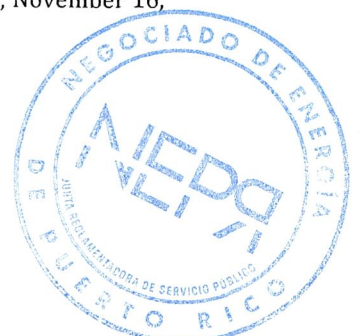
Enernet CHP ONE states that its CHP system is not designed to export electricity to the Puerto Rico grid, and the CHP system will not be used to sell electricity to the grid. A CHP system that provide service to its clients on site, that are disconnected from the Puerto Rico grid,

⁵ Amendment to Regulation No. 8618, on Certifications, Annual Fees and Operational Plans of Electric Service Company Providers in Puerto Rico, Regulation 8701, Puerto Rico Energy Bureau, February 17, 2016 ("Regulation 8701" as a mended by Regulation No. 9182, Amendment to Regulation No. 8701, on Certifications, Annual Fees and Operational Plans of Electric Service Providers in Puerto Rico, Regulation 9182, Puerto Rico Energy Bureau, June 24, 2020 ("Regulation 9182)).

⁶ As defined in Regulation 8701.

⁷ Resolution, *In re: Highly Efficient Fossil Generation Definition*, Case No.: CEPR-MI-2016-0001, November 16, 2021.

² *Id.*



must comply with: (i) the Federal Energy Regulatory Commission (FERC) efficiency standard as stated in 18 CFR § 292.205, Criteria for Qualifying Cogeneration Facilities (a)(2)(i), and (ii) the condition described in 18 CFR § 292.205 (d)(1) to (d)(3). A combined heat and power (CHP) generator can comply with the Federal Energy Regulatory Commission (FERC) efficiency standard under 18 CFR § 292.205(a)(2)(i) by achieving a total efficiency of at least 42.5% for facilities using oil or gas as their primary energy source. This efficiency includes both electric and thermal outputs. To meet the additional conditions described in 18 CFR § 292.205(d)(1)-(3), the facility must make sure the useful thermal output (e.g., heat or steam) is used productively, in a way that aligns with the cogeneration facility's purpose, and not primarily for sales to a third party, unless those sales meet specific regulatory allowances. This dual compliance ensures the CHP unit operates efficiently while contributing effectively to both electricity generation and beneficial heat recovery, consistent with FERC's regulatory criteria.

Enernet CHP ONE's efficiency is 52.45%, which is greater than the FERC requirements, and 100% of its useful thermal output will be used productively, meeting the Cogeneration Criteria. Therefore, Enernet CHP **MEETS** the operational requirement needs for Highly Efficient Generation.

Under Act 60-2019, the Energy Bureau **GRANTS** Enernet CHP ONE's request for its systems to be certified as Highly Efficient Generation.

C. Request for Confidential Designation

In its Application, Enernet CHP ONE requested that certain documents be granted confidential treatment under Article 6.15 of Act 57-2014 and the August 31, 2016, Resolution in Case No. CEPR-MI-2016-0009⁸, In Re: Policy on Management of Confidential Information in Procedures Before the Commission, as amended by the September 20, 2016, Resolution on the same case ("August 31 Resolution").

Table 1 below details the information to which Enernet CHP ONE requested confidential designation and treatment.

Document Name	Provided Designation	Cited Legal Basis	Justification Provided	Date Filed
Attachment I-1: Power Purchase Agreement	Trade Secret; Third Party Information	Act 80-2011; Article 4 Act 122-2019	Documentation contains the agreed terms of service between Enernet CHP ONE and its industrial client. The information in Attachment I-1 is not publicly available and is of economic value to Enernet CHP ONE whose disclosure may affect Enernet CHP ONE's competitiveness.	September 23, 2024
Attachment II-1: NEPR-B01 Form, Personal Information	Third Party Information	Article 4 Act 122-2019	Document includes the personal information of Enernet CHP ONE Designated Authorized Representative. It also contains Enernet CHP's physical address.	November 12, 2024
Supplemental Attachment II-1: Enernet CHP ONE Corporate Structure	Third Party Information	Act 57 -2014; Article 6.15	Document includes the personal information of Enernet CHP ONE, board members, shareholders, and principal executive officers, among other third-party information, as well as Enernet CHP ONE's corporate structure.	November 12, 2024
Attachment II-2: NEPR-B03, Operational Report	Third Party Information	Article 4 Act 2019	Document contains the personal information of Enernet CHP ONE Designated Authorized Representative which is consider third party information.	November 12, 2024
Supplemental Attachment II-2	Trade Secret	Act 80-2011	Document contains estimated electric sales pursuant the terms of the PPA. This	November 12, 2024

⁸ Resolution, In re: Policy on Management of Confidential Information in Procedures Before the [Energy Bureau], Case No. CEPR-MI-2016-0009, August 31, 2016.

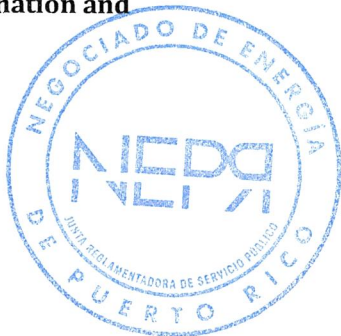


Document Name	Provided Designation	Cited Legal Basis	Justification Provided	Date Filed
Annex 1: Demand Projections			information is not publicly available and is of economic value to Enernet CHP ONE whose disclosure may affect Enernet CHP ONE's competitiveness.	
Supplemental Attachment II-2 Annex 2: Rate and Changes Information	Trade Secret	Act 80-2011	Document contains rates and charges information agreed with Enernet CHP ONE industrial client. This information is not publicly available and is of economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
Supplemental Attachment II-2 Annex 3: Projected Capital Investments	Trade Secret	Act 80-2011	Document contains Enernet CHP ONE projected investments which reflects Enernet CHP ONE's business strategy and the PPA terms. Such information is not publicly available and is of economic value to Enernet CHP ONE whose disclosure may affect Enernet CHP ONE's competitiveness.	November 12, 2024
Supplemental Attachment II-2 Annex 4: Credentials of Contracted Entities	Trade Secret	Act 80-2011	Document contains Enernet CHP ONE's strategy to operate and manage the system. Such information is not publicly available and is of economic value to Enernet CHP ONE whose disclosure may affect Enernet CHP ONE's competitiveness.	November 12, 2024
Attachment II-3: Form NEPR-B04, Request for Certification	CEII, Personal Information, Trade Secret	Critical Infrastructures Protection Act of 2001; 18 CFR § 388.113, Article 4 Act 122-2019; Act 80-2011	Document contains the physical address of the place where the service will be provided which is considered CEII. Document contains Enernet CHP ONE's sales projections and a general description of its system assets. Such information is not publicly available and is of economic value to Enernet CHP ONE whose disclosure may affect Enernet CHP ONE's competitiveness. Document contains the personal information of Enernet CHP ONE Designated Authorized Representative which is considered third party information.	November 12, 2024
Supplemental Attachment II-3, Annex 2: CPA Certification	Personal Information, Trade Secret	Article 4 Act 122-2019; Act 80-2011	Document contains Enernet CHP ONE's financial information, which is personal in nature, is not publicly available, and is of economic value to Enernet CHP ONE whose disclosure may affect Enernet CHP ONE's competitiveness.	November 12, 2024
Supplemental Attachment II-3, Annex 3: Human Resources Certification	Trade Secret	Act 80-2011	Document contains information regarding Enernet CHP's ONE workforce projection and resources. This information reflects Enernet CHP ONE's strategy to operate and to manage the system. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
Supplemental Attachment II-3, Annex 4: Certification of Economic Capacity and Solvency	Personal Information, Trade Secret	Article 4 Act 122-2019; Act 80-2011	Document contains Enernet CHP ONE's financial information, which is personal in nature, is not publicly available, and is of economic value to Enernet CHP ONE whose disclosure may affect Enernet CHP ONE's competitiveness.	November 12, 2024
Supplemental Attachment II-3, Annex 5: Generation System Description	CEII, Trade Secret	Critical Infrastructures Protection Act of 2001; 18 CFR § 388.113; Act 80-2011	Document contains a detailed description of the generation assets to be used by Enernet CHP ONE, including locations which is considered CEII. Information contained therein reflects Enernet CHP ONE strategy and approach to provide services in Puerto Rico and its overall business strategies. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	November 12, 2024



Document Name	Provided Designation	Cited Legal Basis	Justification Provided	Date Filed
Supplemental Attachment II-3, Annex 6: Generator Specification Sheet	Trade Secret	Act 80-2011	Document contains detailed description of the CHP system generation assets, which is information regarding Enernet CHP ONE's strategy to develop the CHP system. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
Supplemental Attachment II-3, Annex 7: Absorption Chiller Specification Sheet	Trade Secret	Act 80-2011	Document contains detailed description of the CHP system generation assets, which is information regarding Enernet CHP ONE's strategy to develop the CHP system. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
Supplemental Attachment II-4: Permits, Authorizations, and Endorsements	Trade Secret	Act 80-2011	Document contains information regarding Enernet CHP ONE's permitting process and strategy to develop its generation system. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
Exhibit II-4.1: Construction Permit	Trade Secret	Act 80-2011	Document contains information regarding the CHP system which is information regarding Enernet CHP ONE's strategy to develop the CHP system. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
Exhibit II-4.2: Environmental Recommendation	Trade Secret	Act 80-2011	Document contains information regarding the CHP system which is information regarding Enernet CHP ONE's strategy to develop the CHP system. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
Exhibit II-4.3: Environmental Declaration	Trade Secret	Act 80-2011	Document contains information regarding the CHP system which is information regarding Enernet CHP ONE's strategy to develop the CHP system. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
Exhibit II-4.3: Permiso Unico	Trade Secret	Act 80-2011	Document contains information regarding the CHP system which is information regarding Enernet CHP ONE's strategy to develop the CHP system. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
September 21 Motion, Exhibit II-2.2: Rate and Charges Information	Trade Secret	Act 80-2011	Document contains rates and charges information agreed with Enernet CHP ONE industrial client. The information is not publicly available and is of economic value to Enernet CHP ONE's competitiveness.	November 12, 2024
Attachment III-1: Highly Efficient Generation Discussion	Trade Secret	Act 80-2011	Document contains detailed descriptions of the CHP thermal assets, which is information regarding Enernet CHP ONE's strategy to develop the CHP system. Such information is not publicly available and is an economic value to Enernet CHP ONE's competitiveness.	September 23, 2024
Attachment V-1: ACH Confirmation	Personal Information	Article 4 Act 122-2019	Document contains information regarding Enernet CHP ONE's bank account, which is personal and not publicly available.	September 23, 2024

Table 1: Enernet CHP ONE's Request for Confidential Information Designation and Treatment



Enernet CHP ONE provided justifications for each document's confidentiality request, citing Section 6.15 of Act No. 57 of May 17, 2014, as amended, and Section 1.15 of Regulation No. 8701. In compliance with the August 31, 2016 Resolution in Case No. CEPR-MI-2016-0009⁹, In Re: Policy on Management of Confidential Information in Procedures Before the Commission, as amended by the September 20, 2016, Resolution on the same case ("August 31 Resolution"), Enernet CHP ONE filed both redacted and unredacted versions of these documents.

The Energy Bureau has reviewed the confidentiality requests, the justification provided, and the redacted versions of the documents.

Act 57-2014 establishes that any person having the obligation to submit information to the Energy Bureau may request that any information it is considered privileged or confidential be treated in such fashion.⁹ Specifically, Act 57-2014 requires the Energy Bureau to treat as confidential the information submitted provided that "after the appropriate evaluation, believes such information should be protected".¹⁰ In such case, "the Energy Bureau shall grant such protection in a manner that least affects the public interest, transparency, and the rights of the parties involved in the administrative procedure in which the allegedly confidential document is submitted".¹¹

Under Article 6.15 of Act 57-2014, the Energy Bureau **GRANTS** confidential treatment to all documents identified in Table 1 herein.

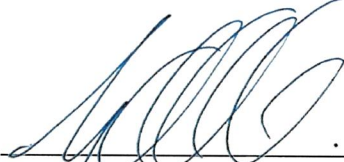
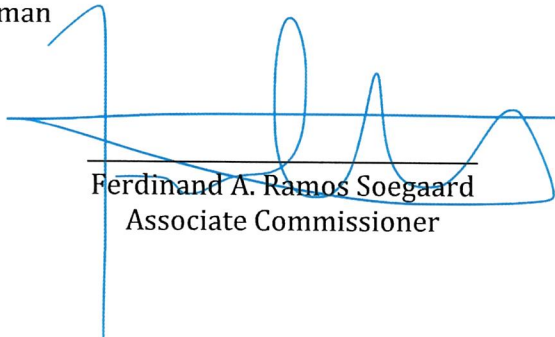


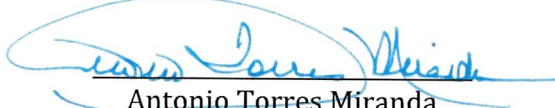
III. Conclusion

After careful evaluation of Enernet CHP ONE's November 12 Response, the Energy Bureau **APPROVES** Enernet CHP ONE's Request for Certification as an Electric Service Company.

The Energy Bureau **GRANTS** Enernet CHP ONE's request for its systems to be certified as Highly Efficient Generation.

The Energy Bureau **GRANTS** confidential treatment to all documents identified in Table 1 herein.

Be notified and published.

 Edison Avilés Deliz Chairman	 Ferdinand A. Ramos Soegaard Associate Commissioner
 Lillian Mateo Santos Associate Commissioner	 Sylvia B. Ugarte Araujo Associate Commissioner
 Antonio Torres Miranda Associate Commissioner	

⁹ Section 6.15 of Act 57-2014, Rules of Confidentiality.

¹⁰ *Id.* at (a).

¹¹ *Id.*



CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on December 13, 2024. I also certify that on December 13, 2024, a copy of this Resolution and Order was notified by electronic mail to arrivera@nuenergypr.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 December 13, 2024.



Sonia Seda Gaztambide
Clerk

