

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

NEPR

Received:

Feb 14, 2025

7:32 PM

IN RE: 10-YEAR PLAN FEDERALLY
FUNDED COMPETITIVE PROCESS

Case No.: NEPR-MI-2022-0005

Motion to Submit Monthly Report on the
Status of Emergency Generation and Black-
Start Generation Procurement in Compliance
with *Resolution and Order* of July 30, 2024

**MOTION TO SUBMIT MONTHLY REPORT ON THE STATUS OF EMERGENCY
GENERATION AND BLACK-START GENERATION PROCUREMENT IN
COMPLIANCE WITH RESOLUTION AND ORDER OF JULY 30, 2024**

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, Daguao, and Palo Seco (“the Projects”), subject to various conditions.

2. On November 8, 2023, the PREB issued another *Resolution and Order* (“November 8 Order”) approving the RFP package submitted by Genera for the procurement of black start and emergency generation services.

3. On February 29, 2024, Genera filed a document titled *Motion to Submit Bi-weekly Report on the Status of Emergency Generation and Black-Start Generation Procurement in Compliance with Resolution and Order Dated January 23, 2023* (“February 29 Motion”), in which Genera stated that initial award was scheduled for March 2024.

4. On July 1, 2024, Genera filed a document titled *Motion to Submit Bi-weekly Report on the Status of Emergency Generation and Black-Start Generation Procurement in Compliance with Resolution and Order Dated January 23, 2023* (“July 1 Motion”), in which Genera included as Exhibit A the Bi-Weekly report describing the status of the Emergency Generation and Black-Start Generation Procurement. Genera also informed that starting on July 1, 2024, pursuant to Footnote 16 of the January 23 Order, reports would be submitted on a quarterly basis, consistent with the fiscal year’s quarters (*e.g.*, July 1 to September 30 for Q1, October 1 to December 31 for Q2, and so forth), and that their next report was due by October 9, 2024.

5. On July 30, 2024, the PREB issued a *Resolution and Order* (“July 30 Resolution”) in which, in relevant part, denied Genera’s request to submit quarterly reports instead of bimonthly reports, and ordered Genera to submit monthly reports beginning on August 15, 2024.

6. In compliance with the July 30 Resolution, Genera respectfully submits its monthly report on the status of Emergency Generation and Black-Start Generation Procurement for the month of January 2025, included herein as Exhibit A.

7. the aforesaid portion of Exhibit 1

WHEREFORE, Genera respectfully requests that the PREB **take notice** of the above; **accept** Genera’s report on the status of Emergency Generation and Black-Start Generation Procurement for the month of February 2025, included herein as Exhibit A; and **deem** Genera in partial compliance with the July 30 Resolution.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 14th day of February, 2025.

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 – Monthly Report – February 2025

Docket Number: NEPR-MI-2022-0005

In Re: 10 YEAR PLAN FEDERALLY FUNDED COMPETITIVE PROCESS

Re: Monthly Progress Report – February 2025

In the July 30th Resolution and Order the Energy Bureau ordered Genera to submit monthly reports instead of bi-weekly reports on the status of Emergency Generation and Black-Start Generation Procurement, commencing August 15, 2024. Additionally, the Energy Bureau ordered Genera to include, as part of the next and subsequent monthly progress reports, at a minimum, the following:

GPR-PREB-NEPRMI20220005- 20240730#1(a)

a.breakdown of each task, estimated cost, cost amount consumed, and timeline for completion of such task.

Response:

Timelines are provided in responses #1(b). Tasks, estimated costs, cost amount consumed are provided in the following chart.

	Budget	Costs Incurred	Remaining
Equipment Purchase	\$ 458,923,697.00	\$ 67,398,798.00	\$ 391,524,899.00
Site Development & Construction	\$ 451,909,779.00		\$ 440,057,256.33
Project Development		\$ 11,661,392.99	
Permitting		\$ 191,129.68	
Decommissioning & Demolition		\$ -	
Construction		\$ -	
Commissioning		\$ -	
Interconnection		\$ -	
	\$ 910,833,476.00	\$ 79,251,320.67	\$ 831,582,155.33

Activity	Scope	Cost
Project Management	Project Development	\$ 627,911.01
Design	Project Development	\$ 10,898,590.48
Site Surveys	Project Development	\$ 134,891.50
Permitting	Permitting	\$ 191,129.68
Equipment Purchase	Equipment Purchase	\$ 67,398,798.00
		\$ 79,251,320.67

In response to RFP #4645 for auxiliary equipment, Genera received several proposals which still under evaluation. The plan is to issue a letter of intent for an award by the end of February.

Regarding RFP #205317 for the Grid Support Units, Genera received updated technical and price proposals from the proponents in January. These proposals are under evaluation to secure improved pricing, delivery dates, and beneficial terms for the 144 MW needed for the project.

While striving to meet the deadlines established by PREB and Genera's milestones for the Peaker unit's installation, unexpected circumstances frequently emerge. Internal hurdles and external influences, like the need for approvals from relevant authorities, legal disputes, and environmental assessments, can lead to setbacks. As a result, Genera may face scenarios akin to those detailed in the Force Majeure provisions of the LGA OMA or in the accompanying chart, which are outside its control and could postpone the project's completion, including the Peakers project.

Issue	Description
Environmental Assessments and Permits	<ul style="list-style-type: none"> • Changes in environmental law and environmentally related permits. • Denial or delays in obtaining necessary environmental permits or approvals. • Unforeseen environmental contamination requiring additional remediation efforts.
Regulatory Compliance	<ul style="list-style-type: none"> • Denial or delay in obtaining necessary permits or approvals (including, but not limited to, those needed from the T&D System Operator) • Changes in applicable law or regulatory requirements or additional compliance measures imposed by authorities. • Changes in regulatory interpretation. • Changes in regulatory enforcement. • Extended review periods by regulatory agencies.

Issue	Description
Site Conditions	<ul style="list-style-type: none"> • Need of additional space for any reason, including project development entailing an acquisition process. • Unforeseen technical difficulties in dismantling equipment or infrastructure. • Unanticipated structural issues or site conditions that complicate demolition. • Unforeseen site conditions, whether subsurface or otherwise concealed. • Changes in the site conditions due to weather or otherwise.
Technical Challenges	<ul style="list-style-type: none"> • Unforeseen technical difficulties in decommissioning or dismantling equipment or infrastructure. • Delays due to the unforeseen need for specialized equipment or expertise.
Weather and Natural Events	<ul style="list-style-type: none"> • Adverse weather conditions impacting demolition activities. • Natural disasters (e.g., earthquakes, floods) causing delays.

Issue	Description
Contractor and Resource Availability	<ul style="list-style-type: none">• Limited availability or delay in obtaining qualified contractors or specialized personnel for whatever reason.• Limited availability or delays in delivering necessary equipment, materials, or other supply chain constraints.• Exceeding capacity limits of approved dumps for disposal of debris.• Unavailability of labor or subcontractors.
Health and Safety Concerns	<ul style="list-style-type: none">• Unanticipated health and safety risks requiring additional precautions.• Implementation of HSE measures by a governmental authority for whatever reasons.• Incidents or accidents on-site necessitating work stoppages or investigations.

Issue	Description
Stakeholder and Community Engagement	<ul style="list-style-type: none">• Delays due to the need for additional stakeholder consultations or community engagement.• Public opposition to the project.• Interference from environmental, community, or social justice organizations.• Legal challenge seeking to contest the validity of the RFP, the demolition agreement, permits, or other transaction contemplated in the demolition contract.
Change Order Risk / Financial Constraints	<ul style="list-style-type: none">• Unexpected cost overruns require additional financial planning and consulting with regulatory agencies to increase budget and funding.• Change Order risk.

Issue	Description
Logistical Issues	<ul style="list-style-type: none"> • Unforeseen changes concerning the transportation permits and the means of transportation of debris. • Transportation, logistics, or access issues affecting the movement of materials, equipment, and labor. • Issues that affect the availability and condition of roads, bridges, or other transportation infrastructure required to mobilize equipment, materials, and labor in and out of the site. • Coordination challenges with other ongoing projects or site activities.
Contractor Delays	<ul style="list-style-type: none"> • Failure of contractors and their subcontractors to execute tasks within the timeframes established in their contracts or subcontracts (including delivery times¹). • Delays caused by the contractor and subcontractor's performance issues.

¹ These could range from, but are not limited to, delays in delivery time, defective or non-conforming equipment, and incomplete documentation. Supply chain issues and customs or import delays also fall under the seller's responsibility. Quality control failures, lack of necessary parts or components, and incorrect specifications can cause significant setbacks. Warranty issues, delays in technical support, and non-compliance with regulatory standards add to the seller's accountability. Packaging and shipping issues, inadequate training or installation support, and intellectual property disputes further complicate project timelines. Additionally,

Issue	Description
Labor-Related Issues:	<ul style="list-style-type: none">• Delays due to labor strikes, work stoppages, or other union-related actions.• Negotiation challenges with unions affecting the availability of labor or the timeline for project execution.• Delays due to reduced productivity caused by labor disharmony.

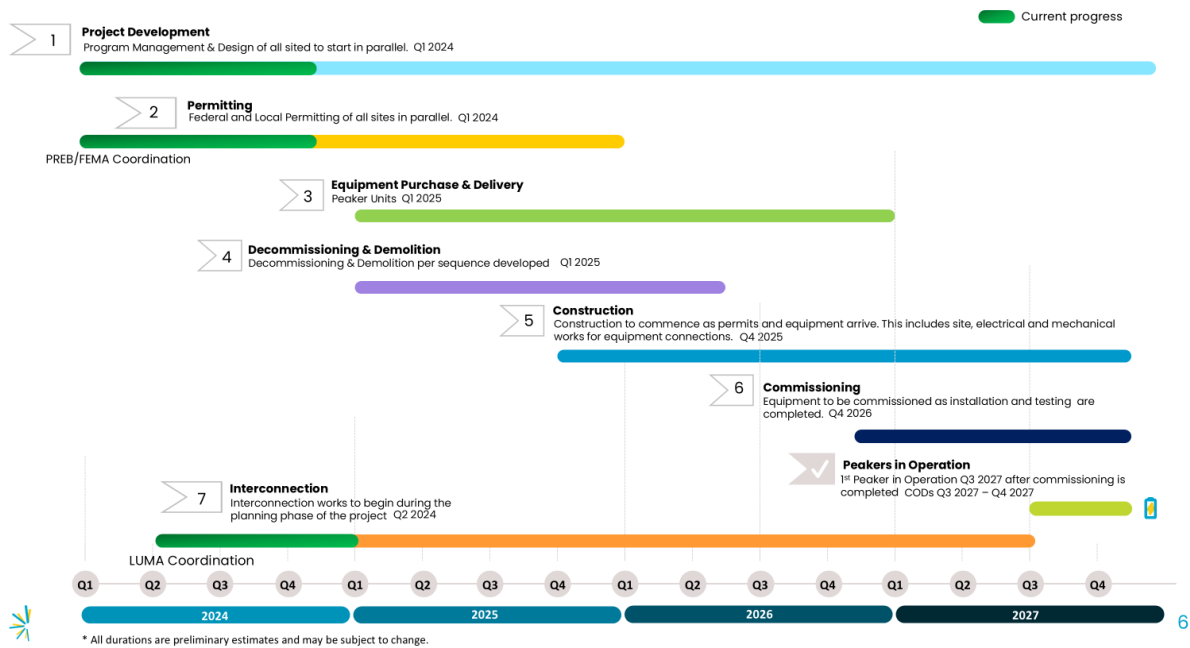
any delays in custom modifications to the equipment requested by the buyer are the seller's responsibility. All other conditions listed in the purchase agreements.

GPR-PREB-NEPRMI20220005-20240730 #1(b)

b. The stages of each task, timeline, present status, and estimated time for completion.

Response:

Peakers Project Timeline



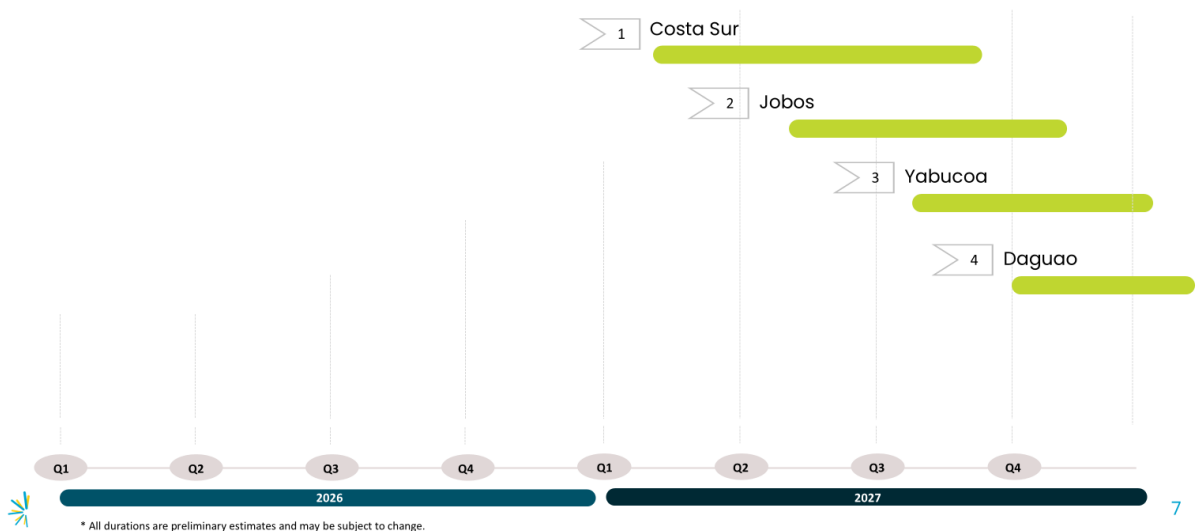
GPR-PREB- NEPRMI20220005 -20240730 #1(c)

c. Project timeline chart (e.g. Gantt Chart) with critical path for the Commercial Operation Date ("COD") of the project.

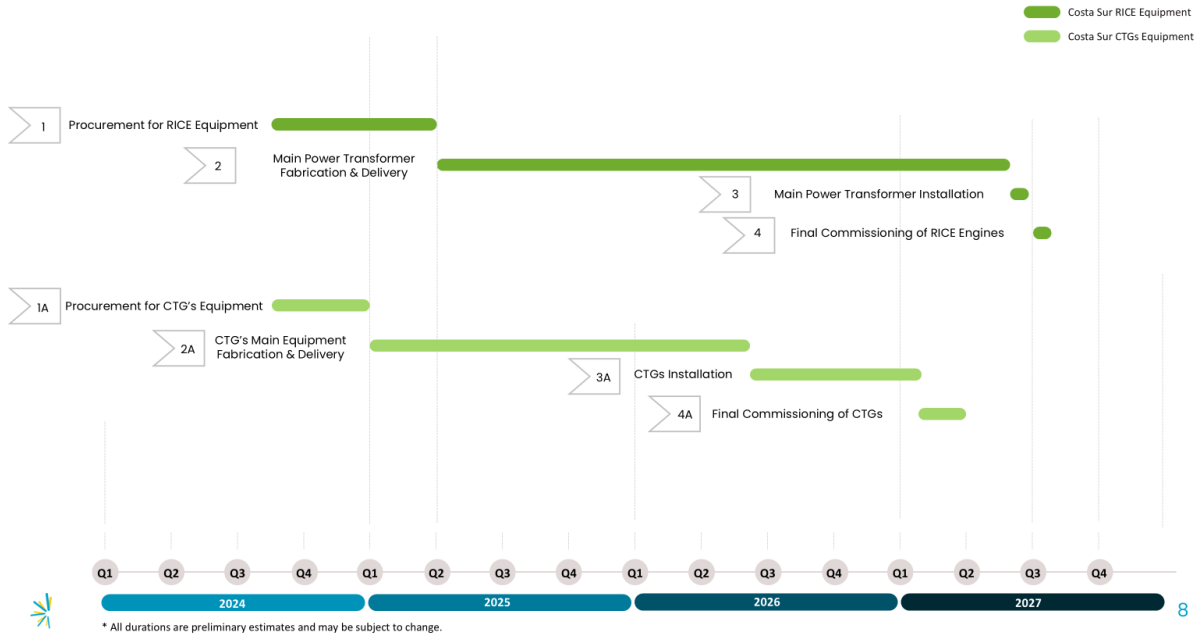
Response:

Peakers – Commissioning Timeline

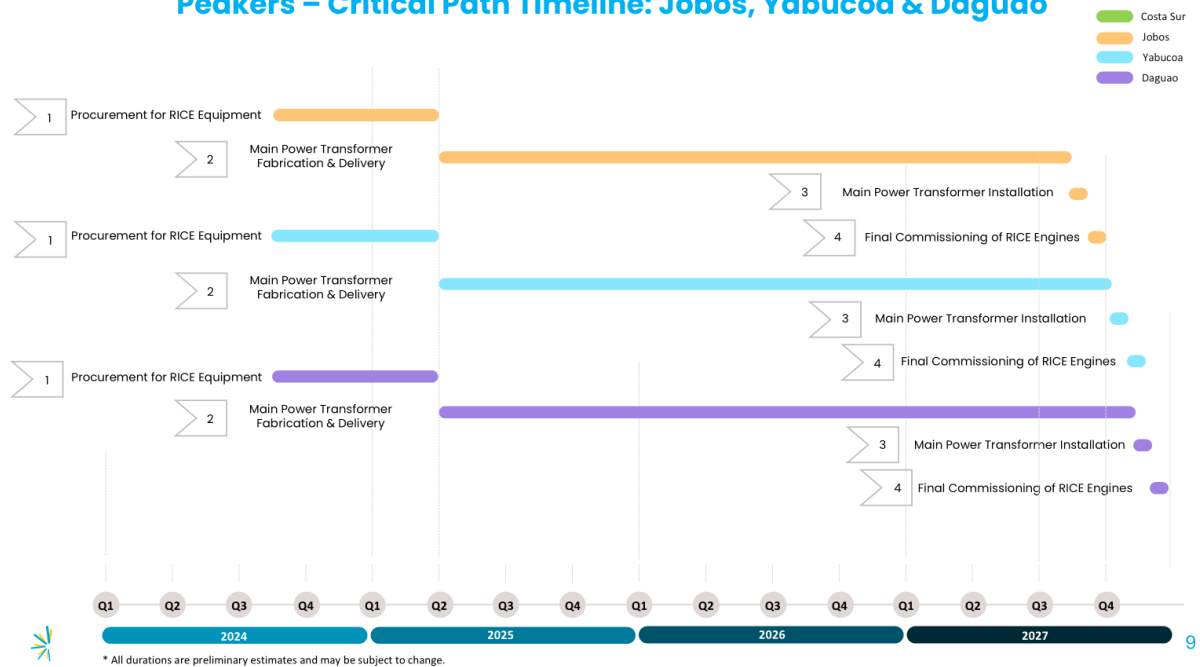
From Precommissioning Start to Commissioning Completion



Peakers – Critical Path Timeline: Costa Sur



Peakers – Critical Path Timeline: Jobos, Yabucoa & Dagua



GPR-PREB- NEPRMI20220005 -20240730 #1(d)

d. Permit list, permits obtained, estimated timeline for each permit and status of such permit.

Response:

NEPA Permit Status

Permit	Applicable Sites	Status	Submittal Date	Estimated Approval
EHP NEPA Review (Record of Environmental Consideration expected)	All Peaker projects	DSOW submitted 9/18/24. Initial FEMA RFI was responded. Originally an EA was expected to be required. In recent talks, FEMA has indicated they think an EA will not be needed, and that the Peakers could be processed under a REC.	18Sep24	Mar 2025
Coastal Zone Consistency Certification	Costa Sur	Peakers expected to be covered under FEMA and PRPB's existing blanket Coastal Certification (in effect until 2028)	18Sep24	N/A
Biological Resources Endangered Species Act (ESA) Section 7	All Peaker projects	Information submitted with DSOW.	18Sep24	N/A *if FEMA agrees with no effects determination no USFWS consultation required
National Historic Preservation Act Consultation	All Peaker projects	Archaeological reports submitted with DSOW	18Sep24	Jan 2025



Note: All dates are preliminary estimates and are subject to change

Federal Permit Status – Yabucoa, Daguaao and Jobos

Permit	Applicable Sites	Status	Submittal Date	Estimated Approval
Non-PSD Applicability Determination	All Peaker projects (except Costa Sur)	Application submitted to EPA for Daguaao/Yabucoa/Jobos.	4Nov24	May 2025
NPDES Construction General Permit (CGP) for Storm Water	All Peaker projects (except Costa Sur)	Will be filed by Contractor	Q2 2025	Q2 2025
Determination of No Hazard to Air Navigation (FAA)	All Peaker projects (when applicable)	Information submitted with DSOW.	Q1 2025	Q2 2025



Note: All dates are preliminary estimates and are subject to change

Federal Permit Status – Costa Sur

Permit	Applicable Sites	Status	Submittal Date	Estimated Approval
Air Modeling and PSD Application	Costa Sur Peaker	Will be filed by Genera.	April 2025	Feb 2026
NPDES Construction General Permit (CGP) for Storm Water	Costa Sur Peaker	Will be filed by Contractor	Q2 2026	Q2 2026
Determination of No Hazard to Air Navigation (FAA)	All Peaker projects (when applicable)	Information submitted with DSOW.	Q4 2025	Q1 2026



Note: All dates are preliminary estimates and are subject to change

Local Permit Status – Yabucoa, Daguao and Jobos

Permit	Status	Estimated Submittal	Estimated Approval
DNER Rule 141 – Environmental Impact Documentation	Submitted on Oct. 18, 2024.	18Oct24	All sites have been approved.
PRFC Fire Review	Will be filed by Genera upon receiving final design plans.	Q2 2025	60 days after submission
Permiso Unico Incidental (PUI)	Will be filed by Contractor	Q2 2025	30 days after submission
DNER Asbestos/Lead Removal	Will be filed by Contractor	Q1 2025	30 days after submission
Air Emissions Permit (PFE) for Construction	Will be filed by Genera after receiving Rule 141 approval.	Q1 2025	Q3 2025
Air Emissions Permit (PFE) for Operation	Will be filed by Genera after receiving PFE for Construction approval and installation of emission sources completed.	Q3 2025	Q4 2025



Note: All dates are preliminary estimates and are subject to change, based on Non-PSD Applicability process.

Local Permit Status – Costa Sur

Permit	Status	Estimated Submittal	Estimated Approval
DNER Rule 141 – Environmental Impact Documentation	Will be filed by Genera upon finishing air emissions modeling.	April 2025	June 2025
PRFC Fire Review	Will be filed by Genera upon receiving final design plans.	Q2 2025	60 days after submission
Permiso Unico Incidental (PUI)	Will be filed by Contractor	Q2 2025	30 days after submission
DNER Asbestos/Lead Removal	Will be filed by Contractor	Q1 2025	30 days after submission
Air Emissions Permit (PFE) for Construction	Will be filed by Genera after receiving Rule 141 approval.	Q3 2025	Q2 2026
Air Emissions Permit (PFE) for Operation	Will be filed by Genera after receiving PFE for Construction approval and installation of emission sources completed.	Q3 2026	Q4 2026

Note: All dates are preliminary estimates and are subject to change, based on PSD permit process.



GPR-PREB- NEPRMI20220005 - 20240730 #1(e)

e. Tasks required in preparation for each site where the project shall be installed. Details on any demolition and permits required in preparation for the installation of the project.

Response:

See responses to questions a through d.

GPR-PREB- NEPRMI20220005 - 20240730 #1(f)

f. Permit and cost for each site to accommodate the project.

Response:

NEPA Permit Costs

Permit	Applicable Sites	Estimated Cost
EHP/NEPA Review	All Peaker sites	\$150,000 for all sites. Includes EHP Review coordination
Coastal Zone Consistency Certification	San Juan Costa Sur	\$8,000/site
Biological Resources Endangered Species Act (ESA) Section 7	All Peaker projects	\$15,000/site
National Historic Preservation Act Consultation	All Peaker projects	\$15,000/site



Note: All costs are preliminary estimates and are subject to change

15

Federal Permit Costs

Permit	Applicable Sites	Estimated Cost
Non-PSD Applicability Determination	Yabucoa, Daguao & Jobos	\$12,000/site
Air Modeling and PSD Application	Costa Sur	\$180,000
NPDES Construction General Permit (CGP) for Storm Water	All Peaker projects	\$21,000/site
Determination of No Hazard to Air Navigation (FAA)	All Peaker projects (when applicable)	Included in DSOW



Note: All costs are preliminary estimates and are subject to change

16

Local Permit Costs

Permit	Applicable Sites	Estimated Cost
DNER Rule 141 – Environmental Impact Documentation	All Peaker projects	\$35,000/site
PRFC Fire Review	All Peaker projects	\$3,000/site
Permiso Unico Incidental (PUI)	All Peaker projects	\$25,000/site
DNER Asbestos/Lead Removal	All Peaker projects	\$15,000/site
Air Emissions Permit (PFE) for Construction	All Peaker projects	\$20,000/site
Air Emissions Permit (PFE) for Operation	All Peaker projects	\$10,000/site



Note: All costs are preliminary estimates and are subject to change

17

Note:

To advance the installation of the Battery Energy Storage System (BESS) and Peaker units, Genera must decommission several operational and non-operational units within its portfolio. Genera, in coordination with LUMA, is actively developing a decommissioning sequence that is designed to ensure the projected commercial operation dates for each project remains unaffected as well as system stability.