

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

IN RE: IMPLEMENTATION OF THE
PUERTO RICO ELECTRIC POWER
AUTHORITY INTEGRATED RESOURCE
PLAN AND MODIFIED ACTION PLAN

CASE NO.: NEPR-MI-2020-0012

SUBJECT: Request for Information
regarding the status of renewable energy
projects.

RESOLUTION AND ORDER

The Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") is the regulatory body responsible for overseeing and ensuring the proper execution and implementation of public policy regarding electricity services in Puerto Rico. It has the authority to (i) implement regulations and regulatory actions necessary to ensure capacity, reliability, safety, efficiency, and reasonableness in rate tariffs of the Puerto Rican electrical system; and (ii) establish guidelines, standards, practices, and processes for the Puerto Rico Electric Power Authority's ("PREPA") procurement of energy from other electric service companies and for modernizing its power plants or energy-generating facilities.¹

The Energy Bureau has the power to oversight any transaction, action, or omission that impacts the electrical grid and electrical infrastructure in Puerto Rico. The Energy Bureau will enforce public policy standards in alignment with the Energy Public Policy as declared by legislation.

There are multiple renewable energy and storage projects resulting from Tranche 1, 2 and 4 renewable energy projects² and legacy renewable energy projects³ which are at different contractual and/or development stages. The developers of several of these projects are pursuing contract amendments⁴, with PREPA, to reflect their financing agreements with the U.S. Department of Energy Loan Programs Office and/or introduce capacity expansions (e.g., solar and/or storage), which should translate into savings for PREPA consumers. The timely completion of these projects is key to achieving the reliable and safe service the PREPA customers deserve while furthering compliance with Act 82-2010⁵ in the long term.

Given the critical need for new capacity to support Puerto Rico's electric system, and in consideration of the changing federal policy landscape in Washington D.C. and the urgency to capitalize on what may be a narrow window of opportunity for new project investment, the Energy Bureau **ORDERS** PREPA and LUMA⁶ to prioritize the renewable energy and energy storage projects (including finalizing applicable amendments to their revenue and interconnection agreements) that are most advanced in their development and most shovel-

¹ See, Section 6.3 of Act No. 57-2014, known as *Puerto Rico Energy Transformation and RELIEF Act*, as amended ("Act 57-2014").

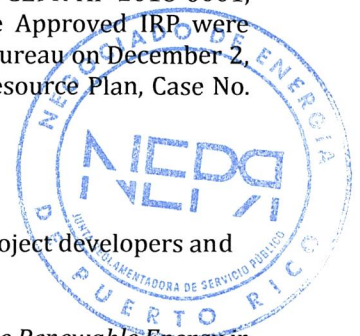
² See Final Resolution and Order on the Puerto Rico Electric Power Authority's Integrated Resource Plan, In re: Review of the Puerto Rico Electric Power Authority Integrated Resource Plan, Case No. CEPR-AP-2018-0001, August 24, 2020 ("Approved IRP"). Minor modifications and/or clarifications to the Approved IRP were introduced through a Resolution and Order on Reconsiderations issued by the Energy Bureau on December 2, 2020, in case: In re: Review of the Puerto Rico Electric Power Authority Integrated Resource Plan, Case No. CEPR-AP-2018-0001.

³ Projects that predate the procurement process executed as part of the Approved IRP.

⁴ Amendments to Power Purchase and Operation Agreements ("PPOAs") executed by project developers and PREPA.

⁵ Known as *Public Policy on Energy Diversification by Means of Sustainable and Alternative Renewable Energy in Puerto Rico Act*, as amended ("Act 82-2010").

⁶ LUMA ENERGY, LLC as ManagementCo, and LUMA ENERGY SERVCO, LLC⁶ as ServCo (collectively, "LUMA")



ready. As a minimum guide, projects that meet the following criteria shall be considered advanced in their development:

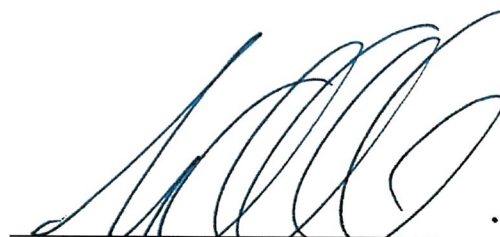
- i. Have committed sources of financing for 100% of construction costs;
- ii. Are already under construction or have the ability to start construction, to qualify for federal tax credits, within the new timelines prescribed in the proposed One Big Beautiful Bill Act (currently within sixty (60) days after enactment of the legislation);
- iii. Have identified viable sources of major equipment supply, considering (a) impacts on supply chains from changing federal tariffs and terms of the proposed One Big Beautiful Bill Act and (b) long delivery lead times for key high voltage equipment;
- iv. Have finalized interconnection studies with LUMA;
- v. Have materially advanced their required environmental permit processes; and
- vi. Are required to post development security to PREPA in their agreements.

Furthermore, the Energy Bureau **ORDERS** PREPA to file, **on or before Tuesday June 17, 2025**, (i) a table with the status of the PPOA amendments requested to PREPA by developers of the Tranche 1 and legacy renewable energy projects; (ii) copies of the foregoing requests received from developers (iii) copies of any communications or documents exchanged between PREPA and LUMA regarding the mentioned requests; and (iv) copies of any draft PPOA amendments prepared related to the developers requests.

The Energy Bureau **WARNS** PREPA and LUMA that, in accordance 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 \$125,000 per day; and
- (ii) for any recurrence of non-compliance or violation, the established penalty shall increase to a fine of not less than fifteen thousand dollars (\$15,000) nor greater than two hundred and fifty thousand dollars (\$250,000), at the discretion of the Energy Bureau.

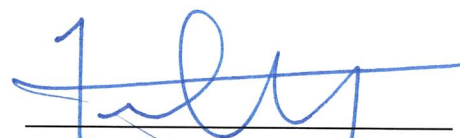
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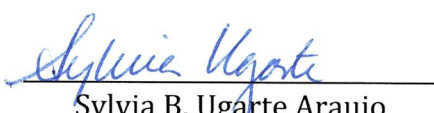
Edison Avilés Deliz
Chairman



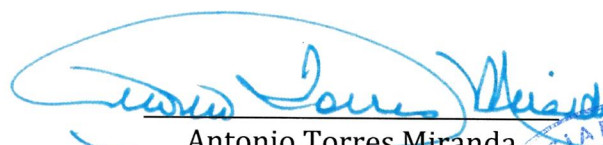
Lillian Mateo Santos
Associate Commissioner



Ferdinand A. Ramos Soegaard
Associate Commissioner



Sylvia B. Ugarte Araujo
Associate Commissioner



Antonio Torres Miranda
Associate Commissioner

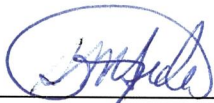


CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on June 12, 2025. I also certify that on June 12, 2025, a copy of this Resolution and Order was notified by electronic mail to arivera@gmlex.net; katiuska.bolanos-lugo@us.dlapiper.com; Yahaira.delarosa@us.dlapiper.com; laura.rozas@us.dlapiper.com; RegulatoryPREBorders@lumapr.com; jfr@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 June 12, 2025.





Sonia Seda Gaztambide
Clerk