



AUTORIDAD PARA LAS  
ALIANZAS PÚBLICO PRIVADAS

# AAPP

GOBIERNO DE PUERTO RICO

May 26, 2025

**BY ELECTRONIC MAIL**

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Mr. Kevin D. Futch, Esq.  
General Counsel  
Genera, PR LLC  
954 Ponce de León Avenue, Suite 400  
San Juan, Puerto Rico

Dear Mr. Futch,

**Re.: First Amendment to the GOMA and Compliance with PREB Resolution and Order of April 7, 2025**

We acknowledge Genera's letter of May 8, 2025, together with the accompanying red-line draft amendment to the Thermal Generation Facilities O&M Agreement ("GOMA"). The Public Private-Partnerships Authority ("P3A") appreciates Genera PR, LLC ("Genera") willingness to incorporate a number of the modifications the Puerto Rico Energy Bureau ("PREB") identified in its April 7, 2025 Resolution and Order. Unfortunately, the draft still omits several of the precautionary measures that the PREB directed the Puerto Rico Electric Power Authority ("PREPA") and P3A to address - most notably, the third-party performance-bond security that must backstop the claw-back of the US \$110 million discounted incentive. As a result, P3A cannot, at this stage, concur with the version transmitted with your May 8 communication.

Consistent with its statutory role as Administrator, P3A is following PREB's instructions to a tee and endorses the Bureau's risk-mitigation framework. PREB determined that front-loading \$110 million of rate-payer funds requires a "contractual repayment obligation backed by a third-party performance bond" to protect the public interest in the event of operator default or insolvency. The prudence of PREB's safeguard is underscored by market commentary regarding New Fortress Energy ("NFE") finances including multiple recent credit-rating actions and news reports that highlight persistent liquidity pressure and heightened refinancing risk. Moreover, a recent e-mail<sup>1</sup> to the Governor from an NFE shareholder describing the company's liquidity as "precarious" and warning that failure to release the \$110 million incentive "risks the inevitable" insolvency of NFE. These facts reinforce PREB's determination, with which P3A agrees, that surety-backed security is reasonable and in the public's best interest.

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<sup>1</sup> See Annex 1

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Attached to this correspondence is P3A's Revised First Amendment<sup>2</sup> (dated May 24, 2025). This version:

- retains every provision Genera has already accepted;
- adds the performance-bond and other protective clauses exactly as contemplated in the PREB's Order; and
- clearly brackets only those additional elements PREB recommended but Genera has not yet approved.

P3A will submit this draft to PREB under a separate motion, advising the regulator that P3A is prepared to execute the amendment exactly as attached. In that filing, P3A will also convey Genera's comments on the proposed draft and identify the specific provisions with which Genera has expressed discomfort, so the Bureau has a complete record of the parties' respective positions. Should Genera elect to challenge any of the precautionary provisions, it is of course free to petition the PREB directly; the ultimate decision rests with the Bureau, and P3A will abide by whatever ruling the regulator issues.

To keep the process on track, kindly advise us—no later than 5:00 p.m. AST on May 28, 2025—whether Genera will (i) execute the attached version without modification or (ii) specify in writing the particular PREB recommendations it intends to contest. Until PREB resolves the matter, P3A cannot endorse disbursement of any incentive funds.

We remain available to discuss any clarifications that Genera or the Bureau may request. Thank you for your prompt attention to this important compliance step.

Cordially,

Lionel Santa-Crispín, Esq.  
General Counsel



Annexes

- c María Sánchez Bras, Chief Financial Officer, Genera – [maria.sanchez@genera-pr.com](mailto:maria.sanchez@genera-pr.com)  
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<sup>2</sup> See Annex 2