

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

IN RE: INVESTIGATION ON DUAL-FUEL
CAPABILITY (DIESEL AND NATURAL GAS)
OF TEMPORARY MOBILE POWER
GENERATION UNITS ("TMPs") AT PALO
SECO AND SAN JUAN PLANTS

CASE NO.: NEPR-IN-2025-0004

SUBJECT: Commencement of Investigative
Procedure.

RESOLUTION

On July 12, 2025, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Request for Information ("ROI"), directed to Genera PR, LLC ("Genera"), concerning the operational readiness and fuel-switching capability of the Temporary Mobile Power Generation Units ("TMPs") installed at the Palo Seco and San Juan Power Plants.¹ In said ROI, the Energy Bureau requested Genera to clarify how the absence of necessary infrastructure for fuel switching from natural gas to diesel had occurred, particularly in light of repeated representations that the units were dual-fuel capable.

On July 22, 2025, the Energy Bureau received Genera's response to the ROI.² After careful examination of the information provided by Genera, the Energy Bureau determines that it is in the public interest to initiate a formal investigation into matters related to the TMPs' capability to operate using both natural gas and diesel fuels, as represented in various procedural filings and regulatory submissions.³ The Energy Bureau notes that it has been represented throughout the record that certain units possess dual-fuel capability. However, it now appears that, although the units are technically capable of operating on both natural gas and diesel, the necessary infrastructure or equipment to enable such dual-fuel operation is not currently in place. A representation or portrayal that the units are dual-fuel capable, while at the same time acknowledging the absence of the infrastructure required to utilize that capability, is inherently counterintuitive. After all, the value of dual-fuel functionality lies precisely in the ability to alternate between fuels as needed -a purpose that is defeated if the infrastructure or ancillary equipment needed to make such switching operational is unavailable.

Pursuant to Regulation No. 8543⁴, and the general provisions therein governing the conduct of investigations, the Energy Bureau hereby **COMMENCES** an investigative proceeding to evaluate, among other matters, (a) the technical readiness of the TMPs for dual-fuel operation; (b) the existence, adequacy, and functionality of the infrastructure required to enable fuel switching; (c) the consistency of the representations made by Genera, PREPA, and any affiliated entities regarding the dual-fuel capabilities of said units; (d) the potential rate (e.g., cost to ratepayers) and reliability impacts stemming from the lack of infrastructure to ensure dual-fuel functionality; and (e) potential legal or regulatory violations related to the acquisition, installation, and operation of the TMPs.

The investigation shall also encompass any additional matters that may arise in connection with, or as a result of, the issues under investigation, in order to ensure full regulatory clarity and safeguard the public interest. As is well established, the outcome of an investigation may lead the Energy Bureau to initiate an adjudicative proceeding to determine whether any

¹ See *Resolution and Order* issued on July 16, 2025 ("July 16 Resolution") in case *In re: Request for Approval of the Asset Purchase Agreement between NFE Power PR LLC and the Puerto Rico Electric Power Authority*, Case No. NEPR-AP-2024-0001.

² See *Escrito en Cumplimiento de Orden* filed by Genera on July 16, 2025 ("July 22 Motion") in case *In re: Request for Approval of the Asset Purchase Agreement between NFE Power PR LLC and the Puerto Rico Electric Power Authority*, Case No. NEPR-AP-2024-0001.

³ See July 16 Resolution.

⁴ See *Regulation on Adjudicative, Notice of Compliance, Rate Review, and Investigation Proceedings* ("Regulation No. 8543").

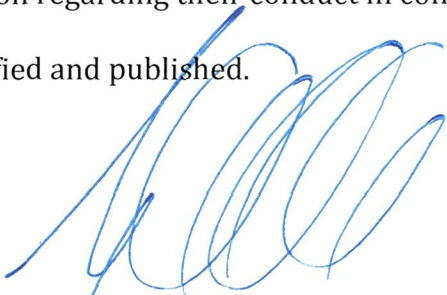


entity under its jurisdiction, or any other relevant party, has violated the Puerto Rico Energy Public Policy Act, any other applicable laws or regulations administered by the Energy Bureau, or any orders or resolutions issued by the Energy Bureau.

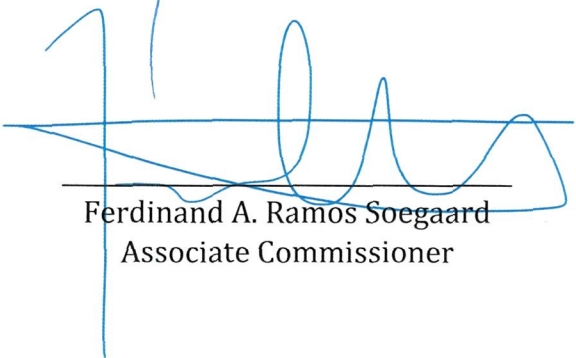
The Energy Bureau shall, in due course, determine the specific procedures that shall govern this investigation, which may include, among other actions, conducting the investigation itself or designating a person to oversee procedural matters, receive evidence, and issue recommendations in accordance with applicable law and regulatory authority.

The commencement of this investigation shall not be interpreted as a determination on the merits of the issues under review but reflects the Energy Bureau’s responsibility to ensure regulatory compliance, system reliability, and protection of the public interest. Nevertheless, the initiation of the investigation indicates that, at this time, the Energy Bureau considers that the entities under its jurisdiction have not provided sufficient justification or explanation regarding their conduct in connection with the matter under investigation.

Be it notified and published.



Edison Avilés Deliz
Chairman



Ferdinand A. Ramos Soegaard
Associate Commissioner



Lillian Mateo Santos
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 July 24, 2025. Associate Commissioner Sylvia B. Ugarte Araujo did not intervene. I also certify that on July 24, 2025, I have proceeded with the filing of this Resolution and Order and was notified by email to Mary.zapata@prepa.pr.gov; Ricardo.pallens@genera-pr.com; legal@genera-pr.com; regulatory@genera-pr.com; mario.hurtado@lumapr.com; legal@lumapr.com; PREBorders@lumapr.com.

I sign in San Juan, Puerto Rico, today, July 24, 2025.





Sonia Seda Gaztambide
Clerk