NEPR

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

IN RE: ELECTRIC SYSTEM PRIORITY STABILIZATION PLAN	Case No.: NEPR-MI-2024-0005 Subject: Motion in Compliance with Order of August 1, 2025

MOTION IN COMPLIANCE WITH ORDER OF AUGUST 1, 2025

TO THE ENERGY BUREAU:

COMES NOW, GENERA PR LLC ("Genera"), through its undersigned counsel and, very respectfully, states and prays as follows:

1. On July 16, 2025, the Puerto Rico Energy Bureau ("PREB") issued a *Resolution and Order* ("July 16 Order") requiring the Puerto Rico Electric Power Authority ("PREPA") to include, in the next PSP monthly report, a comprehensive Fuel-Security Contingency Plan ("Contingency Plan").

2. On July 29 2025 LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively, "LUMA") submitted a document titled *Motion to Submit June 2025 Monthly Collaborative Report* ("July 29 Motion").

3. On August 1, 2025, the PREB issued a *Resolution and Order* imposing complementary directives regarding the Contingency Plan ("August 1 Order"). Specifically, the PREB issued the following orders:

Accordingly, the Energy Bureau ORDERS:

1. PREPA's Filing Obligation

a. PREPA shall file the Fuel-Security Contingency Plan on or before Friday, August8,2025, at 4:30p.m.

2. Genera's Collaboration Obligation

a. Genera shall deliver its written comments, concurrence, or detailed objections on the draft Plan to PREPA no later than Wednesday, August 6, 2025, at 4:30 pm; and

b. Genera shall simultaneously file a copy of those comments (or a statement of "no comment") with the Energy Bureau under this docket.

4. As informed in yesterday's motion, PREPA and Genera have been engaged in communications during this week, both through counsel and through direct communications between officials of the two entities, in order to comply with the directives contained in the August 1 Order.

5. As ordered by the PREB, and as a result of the communications between the parties, Genera informs that it is not in agreement with the plan proposed by PREPA. Accordingly, Genera hereby submits, as Exhibit Ato this Motion, its own proposed Contingency Plan. A copy of the proposed plan was sent earlier today to PREPA.

WHEREFORE, Genera respectfully requests that the PREB take notice of the foregoing and receive the plan proposed by Genera, attached herewith as Exhibit A, and deem Genera in compliance with the August 1 Order.

In San Juan, Puerto Rico, this August 7, 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, including: arivera@gmlex.net; RegulatoryPREBorders@lumapr.com; Emmanuel.porrogonzalez@us.dlapiper.com; laura.rozas@us.dlapiper.com; margarita.mercado@us.dlapiper.com.

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s/Luis R. Román Negrón
Luis R. Román Negrón
RUA 14,265

Exhibit A - Fuel Security Contingency Plan

Docket Number: NEPR-MI-2024-0005
In Re: Electric System Priority Stabilization Plan
Re: Fuel Security Contingency Plan

I. Introduction

Genera PR is committed to ensuring energy system reliability and fuel supply continuity across Puerto Rico's generation fleet. This Fuel Contingency Plan outlines the comprehensive framework adopted to mitigate risks associated with fuel supply interruptions, delivery delays, and system emergencies. It includes key infrastructure investments, supplier diversification, operational procedures, emergency protocols, and interagency coordination to maintain uninterrupted operations under a wide range of scenarios.

II. Fuel Supply Contract's Portfolio

Genera PR maintains diversified, multi-supplier contracts and spot purchase agreements for Diesel ("ULSD"), Bunker C ("FO6"), and Natural Gas ("NG") in order to safeguard fuel availability for thermal generation, and black start capabilities. Long-term contracts provide a stable supply framework and encourage vendor investment, resulting in more favorable pricing, while spot purchase agreements offer redundancy and flexibility for emergency or opportunistic acquisitions.

Active Suppliers and Contract Status:

Supplier	Fuel Supplied
Puerto Rico Energy, LLC	ULSD & FO6 island wide supply contracts
Naturgy Aprovisionamientos, SA	NG Supply for Costa Sur & EcoEléctrica Facilities
NFEnergía, LLC (San Juan Units 5 & 6)	NG Supply for San Juan 5 & 6 CC Units
NFEnergía, LLC (San Juan & Palo Seco TM Units)	NG Supply for TM2500 Units in San Juan & Palo Seco
Novum	ULSD & FO6 Master Fuel Purchase Contract for spot purchases
Peerless Oil & Chemicals	ULSD Master Fuel Purchase Contract for spot purchases

III. Fuel Reserve Maintenance Procedure

Genera PR has established a structured, multi-phase approach to maintain full reserves of ULSD, FO6, and NG at all thermoelectric facilities.

Assessment and Planning

- **Capacity Analysis**: The Fuel Department evaluates each facility's storage capacity for ULSD and FO6 daily. Fuel supply is managed through bi-weekly projections provided to the liquid fuels' supplier aligned with operational forecasts, and weather conditions.
- **Inventory Planning**: The team monitors daily reserve tank capacities, fuel consumption/usage, and days of operation available. Inventory tracking and storage monitoring at EcoEléctrica requires coordination

with LUMA and is managed by them in accordance with the terms of the Power Purchase and Operating Agreement (PPOA)

- **Demand Forecasting**: Deliveries by truck, vessel/barge, or pipeline are coordinated to maintain optimal reserve levels
- **Supplier Agreements**: Multiple agreements ensure a diversified and stable fuel supply chain

Monitoring and Management

- **Fuel Level Monitoring**: Real-time tank level data is collected through sensors and daily reports submitted by the generation facilities to the Fuels Department. Separately, and as previously mentioned, inventory tracking and monitoring for LNG and ULSD storage at EcoEléctrica requires coordination with LUMA and is managed by them in accordance with the terms of the Power Purchase and Operating Agreement (PPOA).
- **Inventory Review**: The Fuels Department regularly compares forecasted demand against current inventory and adjusts procurement schedules as necessary

Operational Procedures

- **Routine Testing**: Systems are tested regularly, including pumps, valves, and generator interfaces.
- **Preventive Maintenance**: Scheduled inspections are performed on tanks and transfer lines to prevent leaks, corrosion, and quality degradation.
- **Emergency Training**: Staff receives training in risk communication, HAZWOPER, fuel transfer(s), and are certified as Persons in Charge.

Nomination Procedures

Genera PR employs structured nomination processes to ensure efficient, traceable, and compliant fuel deliveries across all transport methods: maritime (vessel/barge), truck, and pipeline. These procedures are coordinated among generation plants, suppliers, regulatory agencies, and internal departments to maintain uninterrupted fuel availability and meet operational needs.

For liquid fuel (ULSD & FO6) barge orders, the process begins with a request from the Fuels Department to respective suppliers, followed by a laboratory service request for inspection and analysis, and notification to the U.S. Coast Guard facility regarding product discharge (i.e: Delivery Plan). Coordinations are then carried out with supplier agents and facilities to facilitate the product transfer, after which the laboratory certifies the product for duly use. Final documentation, including the facility receipt reports and inspection results, is submitted alongside supplier and laboratory invoices for review. Once approved, the documentation is forwarded to the Finance Department for payment.

For ULSD truck orders, the process starts with a facility request, leading to a product request prompted by the Fuels Department to the supplier. Coordination with both the facility and supplier is conducted to ensure the timely delivery and transfer of the product. Upon receipt, the facility generates the appropriate documentation, which is then submitted with supplier and laboratory invoices for approval. Once reviewed, payment processing is finalized through the Finance Department. Both procedures ensure a structured and traceable approach to fuel procurement and delivery, supporting operational continuity and regulatory compliance.

In the case of pipeline transfers, the process begins with a request from the Fuels Department to the supplier, followed by a laboratory service request for inspection and analysis. Coordination with supplier agents is conducted to verify readiness for product transfer. Concurrently, receiving facilities are

notified and prepared accordingly. Upon transfer competition, a final inspection report and facility receipt report are issued. Supplier and laboratory invoices are then submitted for internal review, followed by payment authorization by the Finance Department.

Emergency Procurement Protocol

In the event of an emergency or exigency[1], Genera follows the approved Procurement Manual and applicable regulatory requirements. In accordance with Genera PR's Procurement Manual, emergency procurement procedures may be activated when an exigency or emergency does not permit sufficient time for a formal competitive process. This is strictly limited to the acquisition of goods or services directly related to the emergency event and is only permissible during the actual emergency or exigency period. A Presidential disaster declaration under the Stafford Act alone is not sufficient justification for using this method. Instead, conditions such as widespread loss of power, transportation or communication, often lasting up to 30 days or longer in catastrophic events, may necessitate expedite procurement.

Even under these conditions, Genera must pursue as much competition as is practical given the circumstances. While sole source procurement may be used initially, Genera is required to transition to a competitive procurement process as soon as feasible.

Emergency Response

- EOC Integration: A Fuel Department Chief is assigned to the Emergency Operations Center (EOC) with decision-making authority.
- Communication Plan: In the event of an emergency the fuel chief can establish procedures to ensure timely coordination with suppliers, authorities, and internal stakeholders.

[1] As defined in Genera's Procurement Manual.

Review and Improvement

- **After-Action Reviews:** Post-event analyses identify response strengths and areas for improvement.
- **Plan Updates:** Procedures are updated based on lessons learned, technological advancements, and evolving operational requirements in line with the OMA and Puerto Rico regulations.

Regulatory Compliance and Environmental Protection

- **Compliance:** All actions comply with local, state, and federal regulations.
- **Environmental Control:** Spill prevention and emissions reduction measures are in place, supported by adherence to the following:
  - 19 CFR 151.12 & 151.13 (Commercial Gaugers/Laboratories)
  - 33 CFR (Navigation & Navigable Waters)
  - 40 CFR 112.20 & 154 (Environmental Protection)
  - EPA Consent Decree and Title V Air Permits

IV. Contingency Strategies

In the event of a disruption in fuel supply or logistics, Genera will implement the following general strategies:

1. **Fuel Sourcing Substitution**: Utilize alternate fuels (for example: switching from NG to ULSD or Bunker C when technically feasible) based on fuel availability and unit compatibility. Currently, Genera has units that are dual-fuel capable, such as San Juan Units 5 & 6, and Genera has plans to expand this flexibility across additional assets. Conversion projects for the units in Mayaguez, Palo Seco, and Cambalache have been submitted for regulatory approval and are currently pending authorization from

PREB. In addition, all new generation units will be dual fuel capable (e.g peakers). Once approved and implemented, these conversions will further enhance operational resilience by enabling seamless fuel switching during supply constraints or emergencies.

2. **Spot Market Procurement**: Activate existing MFPAs with Novum and Peerless Oil to procure ULSD and/or Bunker C on a short-term basis
3. **Storage Utilization**: Draw upon strategic ULSD reserves, including the Palo Seco R-3 tank (once commissioned), to support continued operation during supply delays.
4. **Load Prioritization and Curtailment**: In coordination with system operators, prioritize dispatch of generation units with secure fuel availability and curtail non-critical operations if required.
5. **Supplier Coordination and Scheduling Adjustments**: Proactively engage with fuel suppliers to reschedule deliveries or expedite shipments based on forecasted inventory levels and system load needs
6. **Emergency Procurement Protocols**: Trigger exigency procurement procedures in coordination with PREPA, LUMA, and government agencies, particularly under declared emergencies or if standard procurement mechanisms fail to meet urgent needs.

V. Emergency Fuel Communication Plan

Genera PR has developed a dedicated Emergency Fuel Communication Plan as part of the Emergency Response Plan. This plan ensures that fuel supply operations remain uninterrupted and responsive during crises or fuel supply disruptions through a resilient and redundant communication framework.

The objective of this communication plan is to establish a robust, multi-channel framework to ensure timely, structured, and effective fuel supply management during emergency situations. This system is designed to mitigate disruptions, maintain operational continuity, and support resilience in procurement, distribution, and contingency activation.

Communication Protocols

A. Internal Communications

- **Primary Methods**: Satellite phones (during outages), secure radio systems, internal messaging platforms, and encrypted email
- **Backup Methods**: Cellular phones, landlines (when available), and mobile networks post-restoration
- **Daily Briefings**: Conducted every 12 hours during active emergencies to assess inventory, constraints, and response needs

B. External Communications

- **Supplier Coordination**: Maintained through satellite communications to ensure uninterrupted procurement during network outages
- **Government Coordination**: Direct satellite contact with local and territorial authorities for emergency fuel transport and logistics coordination
- **Skycall Technology**: Utilized for high-priority voice and data communications to ensure operational command and continuity

Supplier Contact Procedures

All suppliers are engaged using predefined multi-channel communication protocols to guarantee responsiveness during emergencies. Genera PR maintains a secure emergency directory with complete contact information, including satellite and Skycall numbers, to ensure uninterrupted communications during emergencies.

Emergency Response Activation

- **Fuel Monitoring**: The Rapid Response Team continuously monitors fuel usage, reserve stock, and supplier performance through secured communication systems
- **Pre-Event Fill Protocol**: Genera PR will make all commercially reasonable efforts to fill all liquid fuel tanks to 90% of their safe-fill capacity prior to

anticipated natural disasters and/or potential operational disruptions subject to operational feasibility and external constraints

- **Escalation Procedures**: In the event of critical supply disruptions, communication escalation will be triggered using Skycall and satellite systems to secure alternate procurement solutions and fuel allocations

VI. Strategic Storage and Infrastructure Enhancements

To strengthen the resilience of its fuel logistics network, Genera has also undertaken key infrastructure upgrades, particularly focused on expanding ULSD storage and transfer capabilities. The most significant advancement is the rehabilitation of Reserve Tank No. 3 ("R-3") at the Palo Seco Power Plant, completed in December 2024 at a cost of $3,057,000.00.

Once commissioned, the tank will provide approximately 134,000 barrels of ULSD storage capacity, based on a 90 percent safe fill level. The strategic purpose of Reserve Tank No. 3 (R-3) is to provide large-scale contingency reserves of Ultra Low Sulfur Diesel (ULSD) to support a safe and sound continued power generation of San Juan Units 5 & 6 along with San Juan and Palo Seco TM2500 units simultaneously in the event of fuel supply disruptions. Specifically, the additional storage capacity is intended to mitigate any impact of natural gas supply constraints, maritime shipping delays, and emergency scenarios that require increased reliance on diesel-fired generation. By expanding on-island ULSD reserves, Genera enhances its ability to maintain system reliability and operational continuity under a range of adverse conditions.

Although mechanical repairs are complete, Tank R-3 remains offline pending construction of critical supporting infrastructure, including pipelines, pumps, and auxiliary handling systems. This was already designed and estimated but is pending funding availability to complete construction.

This infrastructure initiative is expected to provide several operational advantages, including: (i) redundancy in supply by consolidating diesel resources at Palo Seco and enabling shared access with the San Juan facility, (ii) operational continuity in the event of delayed deliveries at San Juan, or the need to supplement San Juan's fuel mix due to NG temporary displacement, (iii) improved safety and environmental control by reducing dependence on diesel trucking and enabling a fixed, monitored transfer system, and (iv) cost and logistical efficiency by minimizing redundant transport and fuel storage arrangements.

The estimated cost of this interconnection initiative is $13 million, and the project has received conditional approval for funding consideration under the Clean Water State Revolving Fund, although no disbursement has yet been made.

VII. Conclusion

This Fuel Contingency Plan outlines Genera PR's integrated strategy to ensure uninterrupted fuel availability for Puerto Rico's legacy generation fleet. Through infrastructure investments, diversified supply agreements, rigorous procedures, and emergency coordination, Genera is prepared to respond effectively to a range of operational contingencies. Ongoing improvements and stakeholder collaboration will continue to enhance the resilience of Puerto Rico's energy system.