NEPR

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

CASE NO.: NEPR-MI-2019-0006

IN RE: PUERTO RICO ELCTRIC POWER AUTHORITY'S EMERGENCY RESPONSE PLAN

**SUBJECT:** Compliance with Resolution and Order of June 20, 2025

### MOTION IN COMPLIANCE WITH RESOLUTION AND ORDER ISSUED JUNE 20, 2025

#### TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW GENERA PR LLC ("Genera"), as agent of the Puerto Rico Electric Power Authority ("PREPA")<sup>1</sup>, through its counsels of record, and respectfully state and request the following:

#### I. INTRODUCTION

On July 24, 2024, the Puerto Rico Energy Bureau ("Energy Bureau") entered a *Resolution and Order* ("July 24, 2024 Resolution") acknowledging the Emergency Response Plans ("ERPs") submitted by LUMA, Genera PR, LLC, and the Puerto Rico Electric Power Authority ("PREP A") for the year 2024 ("2024 ERP") pursuant to Section 6(m) of Act No. 83 of May 2, 1941, as amended. The Energy Bureau approved Genera's ERP for the year

defined in the LGA OMA) and the sole entity authorized to represent PREPA before PREB with respect to any matter related to the performance of any of the O&M Services provided by Genera under the LGA OMA.

<sup>&</sup>lt;sup>1</sup> Pursuant to the *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* ("LGA OMA"), dated January 24, 2023, executed by and among PREPA, Genera, and the Puerto Rico Public-Private Partnerships Authority, Genera is the sole operator and administrator of the Legacy Generation Assets (as

2024 ("2024 T&D ERP") but conditioned its approval to compliance with certain requirements included in the July 24th Order.

Furthermore, in the July 24, 2024 Resolution, the Energy Bureau determined that "Genera's May 2024 ERP revision properly addresses most of the issues identified by the Energy Bureau, however, the Energy Bureau notes the necessity of ensuring that reliable black-start capabilities exist at the baseload generators." Consequently, in pursuit of a clearer understanding of existing black-start capabilities at the Costa Sur Power Plant, among other aspects, the Energy Bureau ordered Genera to respond to the Requests for Information ("RFIs") outlined in Attachment A of the mentioned July 24, 2024, Resolution.

On August 5, 2024, Genera timely filed a *Motion to Submit the Response to Request* for Information in Compliance with the Resolution and Order Dated July 24, 2024, providing the requested information and detailed responses regarding black-start capabilities.

On December 16, 2024, Genera filed a *Motion to Submit Genera's Emergency Response Plan in Compliance with Resolution and Order Dated August 16, 2023*. Through the above-mentioned motion, Genera submitted its ERP for the year 2025, in accordance with Act No. 83 of May 2, 1941 ("Act 83-1941") as well as Section 4.2(e) of the LGA OMA. As set forth in Appendix P- item 1, Genera made reference to Power Generation Facilities equipped with black start generators and that portable generators shall be deployed during or after an emergency event to meet operational needs. The ERP section 7.2 (4) sets the seven baseload plants in the system of which five (5) fall under Genera's LGA-OMA. Those are Palo Seco, San Juan, Cambalache, Costa Sur and Aguirre.

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<sup>&</sup>lt;sup>2</sup> See *Resolution and Order* of July 24, 2024, at p. 19

Following technical conferences, meetings with the Energy Bureau's consultants, and multiple revisions requested by the Energy Bureau, on May 30, 2025, Genera filed a Motion Informing Genera's Compliance with Section 6(m) of Act 83, submitting its 2025 ERP as required by law.

Lastly, on June 20, 2025, the Energy Bureau issued a Resolution and Order ("June 20, 2025 Resolution and Order") whereby it approved LUMA's, PREPA's and Genera's 2025 revision of the ERPs as submitted under section 6(m) of Act 83-1941. With respect to Genera, the Energy Bureau ordered Genera "to demonstrate—by October 1, 2025—that every baseload unit it operated and maintains is equipped with dedicated blackstart resources capable of directly starting the thermoelectric units"<sup>3</sup>.

In compliance with the June 20, 2025 Resolution and Order, Genera hereby submits **Attachment A**, which lists the status and current units available, beyond thermoelectric units, for black-start capability. Additionally, because the June 20, 2025 order requires an October 1, 2025 demonstration that all baseload units are equipped with dedicated black-start resources, Genera respectfully requests that the Energy Bureau recognize the ERP made a specific reference to facilities with black-start generators, and the steps to provide black-start to the site not equipped with the resource, and proceed to vacate that directive, as further argued below.

II. OBJECTION TO ORDER TO DEMONSTRATE THAT EVERY BASELOAD UNIT IS EQUIPPED WITH BLACK-START CAPABILITIES AND REQUEST TO VACATE OR WAIVE.

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<sup>&</sup>lt;sup>3</sup> Id., at p. 10.

Genera respectfully requests that the Order contained at part II.D.1 of the Resolution and Order of June 20, 2025 be waived or vacated as it falls outside the scope of review of above captioned review of Emergency Response Plans.

First, Genera recognizes the importance of developing a proactive Emergency Response Plan consistent with Act 83-1941 and Section 4.2(e) of the Genera OMA. However, after reviewing the Energy Bureau's June 20, 2025 Resolution and Order, Genera submits that the directive is inconsistent with the Bureau's prior ERP reviews (including the July 24, 2024 ERP review) and exceeds the proper scope of an ERP review.

In 2024, through its Resolution and Order dated July 24, 2024 (the "July 24, 2024 Resolution"), the Energy Bureau conditionally approved the three utilities' ERPs. With respect to Genera, it issued RFIs seeking clarification of black-start capabilities at the Aguirre Power Plant Complex and the Costa Sur Power Plant, including the proposed use of a mobile generator to provide cranking power to the combined-cycle turbines at Aguirre, among other informational requests.

During the 2024 ERP review, the Energy Bureau made clear that the process was an interactive one which included informal meetings with its consultants to collaboratively improve the ERPs. It also reiterated—as it had since 2023—that subsequent ERP filings must "coordinate, develop, and include in their ERPs decision-making protocols to ensure safe system operations during generation startup procedures. LUMA is to take the lead in this effort."<sup>4</sup>

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<sup>&</sup>lt;sup>4</sup> See also, Resolution and Order of August 16, 2023, Re: *Filing of Emergency Response Plans ("ERP") -LUMA, Genera, and PREPA*, at p. 5. Available at <a href="https://energia.pr.gov/wp-content/uploads/sites/7/2023/08/20230816-MI20190006-Resolution-and-Order.pdf">https://energia.pr.gov/wp-content/uploads/sites/7/2023/08/20230816-MI20190006-Resolution-and-Order.pdf</a>

Accordingly, Genera did not anticipate a blanket directive in the June 20, 2025 Resolution and Order (the order challenged here) requiring it to demonstrate by October 1, 2025 that every baseload unit it operates is equipped with dedicated black-start resources. In the July 24, 2024 Resolution, the Energy Bureau expressed only a policy preference that baseload units rely on autonomous black-start and issued RFIs seeking clarification of black-start capabilities at the Aguirre Power Plant Complex and the Costa Sur Power Plant—clarifications that Genera provided in a timely manner.<sup>5</sup> In short, the 2024 ERP review was structured as an interactive, information-gathering process aimed at enhancing emergency preparedness, whereas the June 20, 2025, Resolution abruptly converted the review process into a binding, deadline-driven investment mandate–effectively transforming a dynamic emergency-preparedness framework into SOP-style, unit-level requirements.

To further illustrate why the Energy Bureau should vacate or waive the June 20, 2025 order, Genera notes that Section 4.2(e) of the Genera OMA requires an Emergency Response Plan that "outlines the procedures and actions necessary for responding to any Emergency," including notice and coordination, outage minimization, and personnel availability—i.e., an operational and coordination plan, not a capital design program. Separately, Section 6(m) of Act 83-1941 requires submission of the ERP by May 31 each year to the Governor, both houses of the Legislature, and the Energy Bureau, and it delineates the plan's contents to ensure emergency preparedness, coordinated response, public and employee safety, and customer communications. Neither provision authorizes converting ERP review into a

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<sup>&</sup>lt;sup>5</sup> See Motion to Submit Response to Request for Information in Compliance with Resolution and Order Dated July 24, 2024. Available at <a href="https://energia.pr.gov/wp-content/uploads/sites/7/2024/08/20240805-MI20190006-Motion-to-Submit-Response-to-Request-for-Information.pdf">https://energia.pr.gov/wp-content/uploads/sites/7/2024/08/20240805-MI20190006-Motion-to-Submit-Response-to-Request-for-Information.pdf</a>

mandate for systemwide hardware retrofits or other SOP-style, baseload unit design requirements.

Genera agrees that the Energy Bureau has the authority and duty to ensure the adequacy and completeness of ERPs and, when justified, to require reasonable enhancements beyond statutory minimums as part of its mandate to safeguard the public interest. However, the June 20, 2025, Resolution and Order effectively compels Genera to confirm capital hardware investments, namely dedicated black-start resources at every baseload unit, thereby converting an ERP obligation into a plant-modification mandate that neither Act 83-1941 nor Section 4.2(e) of the LGA OMA contemplates.

Respectfully, the mandate contained in the LGA OMA to submit the ERP to the Administrator and PREB "for their information and approval" should not be construed as converting ERP approval into authority to order systemwide hardware retrofits of power-generation units. Section 4.2(e) of the LGA OMA establishes the ERP as a procedural and coordination document under which Genera provides prompt notice to agencies and emergency-response entities and outlines outage minimization, staffing, and coordinated actions with the T&D Operator (LUMA). Accordingly, Genera objects to the Energy Bureau's June 20, 2025 order and requests that it be vacated or, in the alternative, waived, as it exceeds the proper scope of ERP review under the Bureau's statutory authority and Section 4.2(e) of the LGA OMA, and improperly attempts to insert SOP-style mandates regarding power generation units.

Further, the Energy Bureau should take—and Genera respectfully requests—official notice of the parallel regulatory proceeding, *In re 10-Year Federally Funded Competitive Processes*, Case No. NEPR-MI-2022-0005 ("Case No. NEPR-MI-2022-0005"). Said docket

specifically addresses emergency restoration and black-start generation procurement. In it, Genera has been submitting monthly status reports on black-start initiatives and procurement, and the Energy Bureau has emphasized the timelines and milestones established in PREPA's Certified Fiscal Plans for the deployment of black-start capabilities. Accordingly, the Certified Fiscal Plan represents the controlling blueprint, financially and operationally, for how black-start capabilities will be obtained, deployed, and funded in the coming years. Therefore, any Energy Bureau oversight action concerning black-start resourcing and status of related black-start generation projects should be pursued outside the ERP review, which addresses completeness, emergency preparedness, and coordination with emergency response agencies and the T&D Operator, among other aspects.

The Certified Fiscal Plan phases the black-start/peaker portfolio and the BESS program through permitting, procurement, construction, interconnection, and commissioning that extend into late-2026 and 2027 years. The outline planned through the Certified Fiscal Plan is the mandated mechanism for Genera to enhance system resiliency by providing and improving black-start capabilities at the system level. The June 20, 2025, Resolution and Order, however, seems to require a system-wide demonstration by October 1, 2025, while key Fiscal Plan milestones, including procurement, decommissioning and funding, are still in progress.

For the foregoing reasons, Genera requests that the June 20, 2025, order at part II.D.1 of the June 20, 2025, Resolution and Order be vacated or waived. This approach preserves the Energy Bureau's oversight in Case No. NEPR-MI-2022-0005 while aligning execution with the Certified Fiscal Plan to acquire and deploy black-start capabilities.

WHEREFORE, Genera respectfully requests that the Energy Bureau take notice of the above for all purposes; and to vacate or waive the Order at Part II.D.1 of the June 20, 2025 Resolution and Order requesting Genera to demonstrate by October 1, 2024 that all baseload units have dedicated black-start capabilities.

#### RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 1st day of October of 2025.

**ECIJA SBGB** 

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/s/ Jorge Fernández-Reboredo Jorge Fernández-Reboredo jfr@sbgblaw.com TSPR 9,669

/s/ Stephen David Romero Valle Stephen David Romero Valle sromero@sbgblaw.com RUA No. 21,881 **CERTIFICATE OF SERVICE** 

We hereby certify that a true and accurate copy of this motion was filed with the Office of

the Clerk of the Energy Bureau using its Electronic Filing System and that we will send an

electronic copy of this motion to <u>arivera@gmlex.net</u>; <u>mvalle@gmlex.net</u>;

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In San Juan, Puerto Rico, this 1st of October of 2025.

/s/ Stephen David Romero Valle Stephen David Romero Valle

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## Exhibit A (GeneraPR units available for black start capability)



#### GeneraPR units available for black start capability

- 1. Palo Seco Power Complex The following gas turbines provide the black start generation for the Palo Seco Steam Plant
  - . PS 1-2 21 MW unit
  - . PS MP 1 27 MW unit
  - . PS MP 2 27 MW unit
  - . PS MP 3 27 MW unit
- 2. San Juan Power Complex San Juan power complex has 2 black start generators with a capacity of 2 MW for the startup of the following units
  - . SJ CT 5 160 MW unit
  - . SJ CT 6 160 MW unit
- 3. Aguirre Power Complex Aguirre combined cycle has a 2 MW black start generator for the startup of one of the following gas turbines
  - . AGCC 1-1 50 MW
  - . AGCC 1-2 50 MW
  - . AGCC 2-1 50 MW
  - . AGCC 2-2 50 MW
  - . AGCC 2-4 50 MW
- 4. Costa Sur Power Plant
  - . Does not have direct black start capability. In an emergency Costa Sur will be energized for startup from Aguirre, Mayaguez or Cambalache
  - . The Genera new peakers project will provide black start capability for Costa Sur on Q2 of 2027
- 5. Cambalache Power Plant
  - . Camb 2 82.5 MW Unit with black start capability –82.5MW
- 6. Mayaguez Power Station
  - . May 3A 27 MW unit with black start capability
  - . May 4B 27 MW unit with black start capability



- 7. Yabucoa Peakers Station
  - . Yab 1-2-21 MW with black start capability
- 8. Daguao Peakers Station
  - Dag 1-1-21MW with black start capability
- 9. Vieques Station
  - . Vieques 1 3 MW with black start capability
  - . Vieques 2 3 MW with black start capability
- 10. Culebra Station
  - . Culebra 1 2 MW with black start capability
  - . Culebra 2 2 MW with black start capability
  - . Culebra 3 2 MW with black start capability