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

IN RE: ELECTRIC SYSTEM PRIORITY

CASE NO.: NEPR-MI-2024-0005

STABILIZATION PLAN

SUBJECT: Reporting Directives and Information Requirement regarding PREPA's **Proposed Contract Resulting from Temporary Emergency Power Generation**

RESOLUTION AND ORDER

Through a written filing, Genera PR, LLC ("Genera") represented to the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") that there existed a deficiency in energy generation capacity of approximately 800 MW.1 Specifically, Genera stated that without immediate and comprehensive remedial measures, the stability of Puerto Rico's electrical infrastructure is in peril.² Genera stated that the loss of Aguirre Unit 1 has caused a shortfall of generation capacity, severely straining the system at a time when peak demand is rising with the onset of the summer season.3 It noted that this deficit increases the risk of cascading failures, places undue strain on other generating units, and raises the likelihood of rolling blackouts.4

Given Genera's representation, the Energy Bureau immediately ordered LUMA Energy, LLC and LUMA Energy ServCo, LLC (referred to jointly as "LUMA") to confirm the need for emergency generation as expressed by Genera. In response, LUMA acknowledged a current generation deficit, estimating it, consistent with Genera's representation, to be between 700 and 850 MW.6

Considering Genera's proffered explanation, as confirmed by LUMA, the Energy Bureau, acting promptly, supported an initiative of an urgent and temporary nature aimed at addressing the estimated 700–850 MW generation shortfall. The goal was to have the temporary generation installed and operational by the summer, while taking into account factors such as availability, capacity, installation timeframe, and associated costs. Notably, the Energy Bureau directed PREPA to appear before the Puerto Rico Public-Private Partnerships Authority ("P3 Authority") and to initiate the process with the Independent Third-Party Procurement Office ("3PPO") for the procurement of the temporary emergency generation resources.⁸

More than six (6) months have passed since the Energy Bureau approved the initiation of the procedure before the 3PPO for the acquisition of emergency generation. As of today, the Energy Bureau has not received sufficient relevant information regarding the progress and specific details of the process that would enable it, if necessary, to take timely and informed action in response to any eventuality that may arise.

¹ See Request for Expedited Approval of Emergency Generation Capacity Solutions filed by Genera on February 20 2025.

² See *Id*, p. 2.

³ See Id.

⁴ See *Id*.

⁵ See Resolución y Orden issued by the Energy Bureau on February 27, 2025 ("February 27 Resolution").

⁶ See Motion Submitting LUMA's Position Regarding Genera's Request for Expedited Approval of Emergency Generation Capacity Solutions filed by LUMA on March 6, 2025.

⁷ See, Resolución y Orden respecto a la adquisición de nueva generación temporera, IN RE: PLAN PRIORITARIO PARA LA ESTABILIZACIÓN DE LA RED ELÉCTRICA, Case No. NEPR-MI-2024-0005, March 19, 2025.

⁸ See Id.

The Energy Bureau **ORDERS** PREPA submit, no later than **Wednesday**, **October 15**, **2025**, a detailed progress report on the ongoing emergency generation acquisition process. The report shall include, but not be limited to: (i) an updated project timeline indicating milestones achieved and upcoming target dates; (ii) the suppliers contacted and their current participation status; (iii) all relevant legal, technical, and financial information and documentation regarding the evaluation conducted to date, including methodologies, evaluation criteria, and preliminary determinations; (iv) the current status of contractual documentation and draft agreements; (v) a summary regarding required licenses, permits and interconnection studies; (vi) the budget and estimated costs, identifying any deviations from the preliminary estimates; (vii) actions executed to date, including relevant internal and third-party communications; (viii) any obstacles or delays encountered; (ix) the next steps and work plan with estimated completion dates; and (x) all relevant RFP documents and materials, including but not limited to requests for proposals, submissions received, evaluation reports, internal memoranda, and any correspondence or communications exchanged with the 3PPO, the P3 Authority, or prospective suppliers.

The Energy Bureau WARNS PREPA that, in accordance Art. 6.36 of Act 57-2014:9

- (i) noncompliance with this Resolution and Order, regulations and/or applicable laws may carry the imposition of fines and administrative sanctions from ten thousand dollars (\$10,000) up to one hundred twenty-five thousand dollars (\$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 fifty thousand dollars (\$250,000), at the discretion of the Energy Bureau.

Be it notified and published.

Lillian Mateo Santos

Associate Commissioner

Sylvia B. Ugarte Araujo Associate Commissioner Ferdinand A. Ramos Soegaard Associate Commissioner

Antonio Torres Miranda Associate Commissioner

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on October 10, 2025. Chairman Edison Avilés Deliz did not intervene. I also certify that on October 10, 2025 I proceeded with filing the Resolution and Order and a copy was notified by electronic mail to arivera@gmlex.net; lrn@roman-negron.com; legal@genera-pr.com; regulatory@genera-pr.com; RegulatoryPREBorders@lumapr.com; Emmanuel.porrogonzalez@us.dlapiper.com; laura.rozas@us.dlapiper.com;

I sign this in San Juan, Puerto Rico, on October 10, 2025.

margarita.mercado@us.dlapiper.com.

Sonia Seda Gaztambide Clerk

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 $^{^{9}}$ Known as the Puerto Rico Energy Transformation and RELIEF Act, as amended ("Act 57-2014").