

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

**IN RE:** ACCELERATED EVALUATION OF RENEWABLE ENERGY AND ENERGY STORAGE PROJECT PROPOSALS TO SECURE FEDERAL INVESTMENT TAX CREDITS (ITCs)

**CASE NO.:** NEPR-MI-2025-0005

**SUBJECT:** Resolution and Order pertaining to various motions.

**RESOLUTION AND ORDER**

*M* On September 22, 2025 the Governor of Puerto Rico, Hon. Jennifer A. González Colón, issued Executive Order OE-2025-047 (“Executive Order”) which amended and expanded the Puerto Rico energy emergency and authorized extraordinary measures to accelerate the evaluation and approval of renewable energy and storage projects qualifying for federal investment tax credits (“ITCs”) under Public Law 119-21, also known as the One Big Beautiful Bill Act (“OBBA”). On September 26, 2025, the Energy Bureau of the Puerto Rico Public Service Regulatory Board (“Energy Bureau”) issued a Resolution and Order (“September 26 Resolution”) through which it provided the Puerto Rico Electric Power Authority (“PREPA”) with guidelines for the implementation of the accelerated acquisition of renewable resources in accordance with Executive Order.

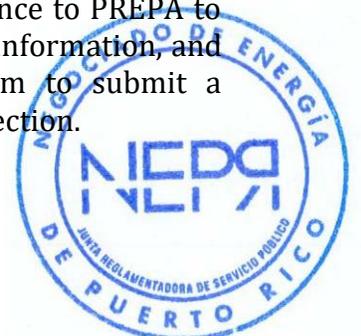
*Jm* Following several procedural issues, on December 30, 2025, the Energy Bureau approved certain renewable energy and storage projects and directed PREPA to commence and complete negotiations with the proponents of the approved projects and to submit the corresponding negotiated draft contracts for final evaluation and approval by the Energy Bureau within ten (10) business days (“December 30 Resolution”).

*JAA* On January 16, 2026, the Energy Bureau issued a Resolution and Order that, among others, established February 15, 2026, as the deadline for completing contract negotiations and ordered PREPA to submit updated status reports on the contract negotiations every five (5) days thereafter until the conclusion of the negotiation process (“January 16 Resolution”).

*SM* Thereafter, on February 6, 2026, with respect to the remaining proponents whose projects were not selected as part of the December 30 Resolution, the Energy Bureau ordered PREPA to notify such proponents that they shall have a period of three (3) days to submit, for PREPA’s consideration, final improved pricing offers with respect to the projects they previously proposed (“February 6 Motion”). The Energy Bureau further clarified that considering the January 16 Resolution, it was expecting the contracts to be submitted on or before February 15, 2026, unless the parties jointly determined that additional time was necessary and submitted a joint request to the Energy Bureau seeking an extension of such term.  
*AM*

On February 18, 2026, Yabucoa Energy, LLC filed a document titled *Motion for Notice, Docketing, and Provisional Confidential Treatment* (“February 18 Motion”), whereby it informed that despite not having received written status determination regarding its proposal, it was notified on February 6, 2026, via the Power Advocate platform, an invitation to submit improved pricing pursuant to the Energy Bureau’s February 6 Motion. Yabucoa Energy, LLC stated that on February 9, 2026 it requested PREPA clarification regarding the status of its proposal and provided revised and improved pricing. Yabucoa Energy, LLC further indicated that it had submitted the February 18 Motion solely to ensure that the Energy Bureau was fully informed of the status of a financeable, shovel-ready BESS<sup>1</sup> project that responded constructively to the February 6 Resolution and remains prepared to proceed. Yabucoa Energy, LLC attached its February 9, 2026 correspondence to PREPA to the February 18 Motion, which it argued contains commercially sensitive information, and requested provisional confidential treatment and a ten (10) day term to submit a confidentiality memorandum specifying the legal and factual basis for protection.

<sup>1</sup> Battery Energy Storage System (“BESS”).



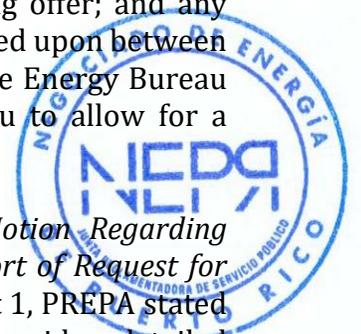
On February 20, 2026, PREPA filed a document titled *Informative Motion Regarding Negotiations with Proponent 3 and Memorandum of Law in Support of Request for Confidential Treatment* ("February 20 Motion"). Through the February 20 Motion, PREPA provided a status of the negotiation process with Proponents 1 and 2, which is still ongoing. With respect to Proponent 3, PREPA informed that they had not reached an agreement and submitted for the Energy Bureau's review and determination the draft contract (reflecting its proposed changes to the Tranche 4 model contract) with comments. According to PREPA, there are substantial unresolved issues that materially deviate from the Tranche 4 model contract. PREPA further requested that the Energy Bureau provide guidance as to the appropriate disposition of the unresolved contractual issues. PREPA also requested that Exhibits I (communication from Proponent 3 sent to PREPA) and II (draft contract) to the February 20 Motion remain confidential until the negotiation and approval process conclude, arguing both exhibits contain deliberative material.

*M*  
*Jim* On February 23, 2026, Proponent 3 filed a motion which generally alleges that it has participated diligently in the negotiation process, has submitted revisions to the contractual documents, and requests that the Energy Bureau address disputed contractual provisions and evaluate its proposed revisions and pricing. The February 23 Motion contains general statements regarding the proponent's negotiations with PREPA, the submission of contractual markups, and the rationale for the requested modifications. Nevertheless, the Energy Bureau observes that the February 23 Motion was not accompanied by the documentary evidence referenced herein. In other words, no supporting information was submitted with the motion to substantiate the claims and requests advanced by Proponent #3.

*JAB* On February 24, 2026, the Energy Bureau took notice of the information contained in the February 18 Motion and granted Yabucoa Energy, LLC the requested ten (10) day term to submit the confidentiality legal memorandum. The Energy Bureau further granted provisional confidential treatment to the correspondence attached to the February 18 Motion pending submission of the legal memorandum.

*SM*  
*SM* On February 26, 2026, Proponent 3 filed a document titled *Informative Motion and Request for Timing* ("February 26 Motion"). Through the February 26 Motion, Proponent 3 responded to PREPA's February 20 Motion. Particularly, Proponent 3 submitted that PREPA's February 20 Motion and documents were limited to the Proponent's proposed revisions to the Energy Storage Services Agreement ("ESSA") form and silent with respect to its revisions to the Purchase Power and Operation Agreement ("PPOA") form; its improved PPOA pricing offer; and its replies to PREPA's responses on the ESSA form. Accordingly, Proponent 3 argued that the record presented by PREPA before the Energy Bureau was incomplete. Moreover, Proponent 3 indicated that, if allowed to engage in a meeting with PREPA, it was prepared to offer an alternative to the revisions proposed to the PPOA and ESSA forms that address PREPA's concerns. In view of the foregoing, Proponent 3 requested that the Energy Bureau direct PREPA and Proponent 3 to meet immediately to discuss: (i) additional revisions to the ESSA form to address PREPA's concerns; (ii) revision to the PPOA form that conform to the ESSA revisions; (iii) its improved PPOA pricing offer; and any remaining commercial, technical, and contractual matters that may be agreed upon between the parties. Proponent 3 further requested that, following the meeting, the Energy Bureau directs PREPA to submit the complete record before the Energy Bureau to allow for a comprehensive evaluation.

On February 27, 2026, PREPA filed a document titled *Informative Motion Regarding Negotiations with Proponents 1 and 2, and Memorandum of Law in Support of Request for Confidential Treatment* ("February 27 Motion"). With respect to Proponent 1, PREPA stated that it had not received a response to an inquiry and that it had failed to provide a detailed explanation describing the rationale to its contract modifications. PREPA asserted that this failure coupled with substantial deviations from the approved Tranche 4 model contract have rendered it impossible to finalize negotiations and submit a contract for the Energy Bureau's consideration. Hence, not having reached an agreement, PREPA submitted the draft contract with comments and requested the Energy Bureau's guidance regarding the appropriate resolution of outstanding contractual matters (Exhibit I). Regarding Proponent



2, PREPA informed it had substantially accepted material requirements to the model contract and that it had no objections to the minimally redlined version of the contract. PREPA submitted the negotiated contract with tracked changes for the Energy Bureau's consideration (Exhibit II). PREPA requested Exhibits I and II to the February 27 Motion remain confidential until the negotiation and approval process conclude, arguing both exhibits contain deliberative material.

On March 2, 2026, Yabucoa Energy, LLC filed a document titled *Memorandum of Law in Support of Confidential Treatment of Appendix and Exhibit I Included in Yabucoa Energy's Motion for Notice, Docketing, and Provisional Confidential Treatment of February 9, 2026* ("March 2 Motion").

*M* The Energy Bureau **GRANTS** confidential designation and treatment to Exhibits I and II to the February 20 Motion; Exhibit 1 to the February 18 Motion and Exhibits I and II to the February 27 Motion.

*Jim* The Energy Bureau **TAKES NOTICE** that PREPA was unable to reach an agreement with Proponent 1. Hence, at this time, there is nothing for the Energy Bureau to rule upon. The Energy Bureau's function is to review the contract **once the parties have reached an agreement**. Therefore, the Energy Bureau **GRANTS** both parties to the contract an additional **three (3) days** to meet, attempt to reach an agreement, and submit the revised version for the Energy Bureau's review. Otherwise, it will be understood no agreement was reached.

*JAA* With regards to Proponent 2, the Energy Bureau **TAKES NOTICE** that the parties have reached an agreement. The Energy Bureau is reviewing the contract submitted with the February 27 Motion and will issue its determination through a separate resolution.

*SMN* Upon review of the February 26 Motion filed by Proponent 3, in light of the possibility of an agreement, the Energy Bureau **DIRECTS** the parties to meet **within three (3) days** to address the proponent's revisions and potentially resolve pending contractual matters. The Energy Bureau **ORDERS** PREPA to submit the resulting agreement for the Energy Bureau's review immediately thereafter and/or **within the referenced timeframe**.

*AMU* The Energy Bureau **REMINDS** PREPA that it shall inform the Energy Bureau even if the parties are unable to reach an agreement **within the granted three (3) day term**.

The Energy Bureau **WARNS** PREPA that, in accordance with Art. 6.36 of Act 57-2014,<sup>2</sup> non-compliance with this Resolution and Order may carry the imposition of fines.



<sup>2</sup> Known as the Puerto Rico Energy Transformation and RELIEF Act, ("Act 57-2014, as amended").

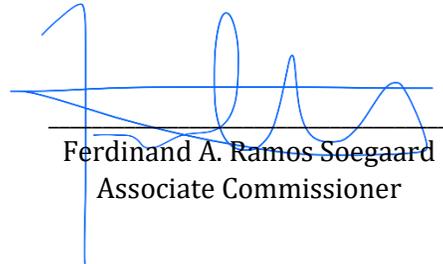
Be it notified and published.



Edison Avilés Deliz  
Chairman



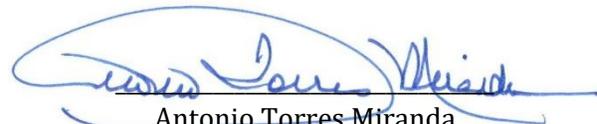
Lillian Mateo Santos  
Associate Commissioner



Ferdinand A. Ramos Soegaard  
Associate Commissioner



Sylvia B. Ugarte Araujo  
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 March 3, 2026. I also certify that on March 3, 2026. I have proceeded with the filing of the Resolution and Order and a copy of this Resolution and Order was notified by electronic mail to alexis.rivera@prepa.pr.gov; nzayas@gmlex.net; mvalle@gmlex.net; rcruzfranqui@gmlex.net.

For the record, I sign this in San Juan, Puerto Rico, today March 3, 2026.



Sonia Seda Gaztambide  
Clerk