

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

IN RE: PUERTO RICO ELECTRIC POWER
AUTHORITY RATE REVIEW

CASE NO.: NEPR-AP-2023-0003

SUBJECT: Resolution and Order pertaining to *Motion for Reconsideration and Order of February 9, 2026*, filed by the Puerto Rico Electric Power Authority.

RESOLUTION AND ORDER

On February 9, 2026, the Puerto Rico Electric Power Authority ("PREPA") filed before the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") a document titled *Motion for Extension of Time to File Reply on Revenue Requirement and Rate Design Briefs* ("February 9 Motion"), in which PREPA alleged that following the conclusion of the evidentiary hearings, it had identified areas of concern regarding aspects of the case and the reasoning reflected in specific decisions issued during the course of the proceeding. PREPA stated that these concerns arise at a threshold level and may affect further merits briefing on revenue requirements or rate design by any party. PREPA further indicated it would file a separate brief articulating such legal concerns. PREPA requested an extension to all parties to file the Reply Briefs on Revenue Requirement and the Initial Brief on Rate Design to February 16, 2026. PREPA filed its extension request on the day of the deadline for the reply brief on the Revenue Requirement and on the day before the deadline for the initial briefs on Rate Design. According to PREPA, such extension would afford the Energy Bureau an opportunity to assess PREPA's briefing on its legal concerns.

On February 9, 2026, the Energy Bureau granted the requested extension and ordered PREPA to file its legal concerns ("PREPA's Concerns Brief") no later than Wednesday, February 11, 2026, by 4:00 p.m. ("February 9 Order").

On February 11, 2026, 3:38 p.m., PREPA filed a document titled *Motion for Extension of Time to Comply with Resolution and Order of February 9, 2026* ("February 11 Motion"), whereby it requested until February 12, 2026 to submit the PREPA's Concerns Brief.

PREPA failed to comply with the February 9 Order by not filing its Concerns Brief by February 12, 2026.

In light of PREPA's lack of diligence, on February 18, 2026, the Energy Bureau imposed PREPA a fine of \$25,000 in accordance with Art. 6.36 of Act 57-2014.¹ The Energy Bureau further warned PREPA that any submission related to PREPA's February 9 Motion should be deemed as not filed.

On February 21, 2026, PREPA filed a document titled *Motion for Reconsideration and Order of February 9, 2026*. PREPA submitted that its failure to comply was due to timing constraints and institutional burdens, not defiance, and therefore requested the strike of the fine. PREPA also submitted its Concerns Brief.

The Energy Bureau **RECONSIDERS** its determination to impose PREPA a \$25,000 fine. Consequently, the Energy Bureau **VACATES** the previously imposed fine as a **final opportunity** for PREPA to correct course, with clear understanding that further noncompliance **will result in sanctions**.



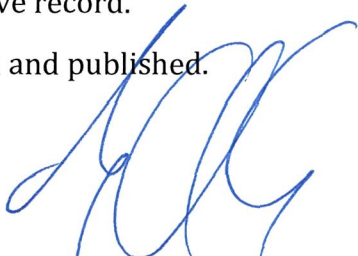
¹ Known as *Transformation and Energetic RELIEF Act of Puerto Rico*, as amended ("Act 57-2014").

The Energy Bureau **NOTES** that, despite ample time and explicit instructions to file the required motion in compliance, PREPA failed to act with the expected diligence. This pattern of inaction reflects not only lack of diligence, but also **lack of respect for the Energy Bureau's directives and the orderly administration of these proceedings.**

As such, the Energy Bureau **WARNS** PREPA that any further disregard of the Energy Bureau's deadlines **will not be tolerated.** Future failures to comply will result in the **imposition of fines and/or any other relief the Energy Bureau deems appropriate.** Counsel's continued disregard of deadlines reflects an **unacceptable level of irresponsibility** inconsistent with the standards expected in the practice of law and proceedings before the Energy Bureau. PREPA's counsels are therefore directed to ensure **full, prompt, and diligent compliance** with all future directives of the Energy Bureau.

The Energy Bureau further **DETERMINES** that PREPA's Concern Brief was filed **well after the deadline** previously set by the Energy Bureau. Hence, consistent with our prior determination, the section of the Reconsideration which states PREPA's Concern Brief is **DEEMED** as not filed. This determination does not affect PREPA's Brief on Rate Design nor PREPA's Reply Brief on the Revenue Requirement, both filed February 17, 2026, which were properly filed. Both PREPA's Brief have been entered in this docket and are part of the administrative record.

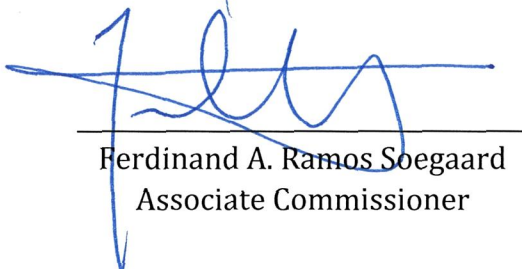
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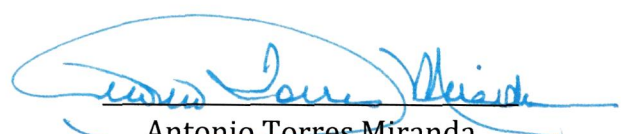
Edison Avilés Deliz
Chairman



Lillian Mateo Santos
Associate Commissioner



Ferdinand A. Ramos Soegaard
Associate Commissioner



Antonio Torres Miranda
Associate Commissioner

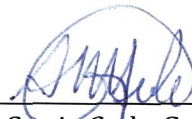
CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on April 7, 2026. Associate Commissioner Sylvia B. Ugarte Araujo dissented with Written Opinion. I also certify that on April 7, 2026 I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau and a copy was notified by electronic mail to mvalle@gmlex.net; alexis.rivera@prepa.pr.gov; jmartinez@gmlex.net; jgonzalez@gmlex.net; nzayas@gmlex.net; Gerard.Gil@ankura.com; Jorge.SanMiguel@ankura.com; Lucas.Porter@ankura.com; mdiconza@omm.com; golivera@omm.com; pfriedman@omm.com; msyassin@omm.com; katiuska.bolanos-lugo@us.dlapiper.com; Yahaira.delarosa@us.dlapiper.com; margarita.mercado@us.dlapiper.com; carolyn.clarkin@us.dlapiper.com; andrea.chambers@us.dlapiper.com; regulatory@genera-pr.com; legal@genera-pr.com; mvazquez@vvlawpr.com; gvilanova@vvlawpr.com; dbilloch@vvlawpr.com; ratecase@genera-pr.com; jfr@sbgblaw.com; hriviera@jrsp.pr.gov; gerardo_cosme@solartekpr.net; contratistas@jrsp.pr.gov; victorluisgonzalez@yahoo.com; Cfl@mcvpr.com; nancy@emmanuelli.law; jrinconlopez@guidehouse.com; Josh.Llamas@fticonsulting.com; Anu.Sen@fticonsulting.com; Ellen.Smith@fticonsulting.com; Intisarul.Islam@weil.com; alexis.ramsey@weil.com; rafael.ortiz.mendoza@gmail.com; rolando@emmanuelli.law; monica@emmanuelli.law; cristian@emmanuelli.law; jan.albinolopez@us.dlapiper.com;



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I sign this in San Juan, Puerto Rico, today April 7, 2026.



Sonia Seda Gaztambide
Clerk



**GOVERNMENT OF PUERTO RICO
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IN RE: PUERTO RICO ELECTRIC POWER
AUTHORITY RATE REVIEW

CASO NÚM.: NEPR-AP-2023-0003

ASUNTO: Motion for Reconsideration,
Dissenting Opinion

DISSENTING OPINION
ASSOCIATE COMMISSIONER SYLVIA UGARTE ARAUJO

I respectfully dissent from the majority's decision to grant reconsideration of the Resolution and Order imposing a fine upon the Puerto Rico Electric Power Authority ("PREPA") in this proceeding.

The Resolution and Order at issue addressed a discrete but critical matter: PREPA's failure to comply with clear procedural directives of the Energy Bureau during an ongoing rate case. As reflected in the record, PREPA failed to submit its required filing within the deadline established by the Energy Bureau—even after being granted an extension—and failed to otherwise appear to cure its noncompliance.

The Energy Bureau correctly determined that such conduct constituted a disregard for the orderly administration of the proceeding and imposed a fine pursuant to Article 6.36 of Act 57-2014. This determination was not only legally sound, but necessary to preserve the integrity of the regulatory process.

This proceeding arises within the context of a comprehensive rate review, where the Energy Bureau is tasked with ensuring that any rates charged to customers are just and reasonable, and supported by a complete and reliable record. Timely compliance with procedural deadlines is not a mere formality—it is essential to maintaining the statutory timeline for issuing determinations and ensuring that all parties, including consumers, are afforded a fair and efficient process. As the Resolution makes clear, the Hearing Examiner emphasized that time is of the essence to meet statutory obligations and to allow for meaningful participation by all stakeholders. PREPA was fully aware of these constraints. Its failure to comply—even after requesting and receiving extensions—undermines the Energy Bureau's ability to complete the rate case in a timely manner.

Responsibility for this failure does not rest solely with the utility as an abstract entity. PREPA's legal representative bear a direct and independent obligation to comply with the Energy Bureau's orders, manage deadlines, and ensure that filings are timely and complete. The failure to meet even an extended deadline, particularly in a matter of this significance, reflects a breakdown in that responsibility. Granting reconsideration under these circumstances effectively excuses not only the conduct of the party, but also that of its counsel, and weakens expectations of professional diligence before this Energy Bureau.


Delays in rate proceedings create uncertainty and can impose additional costs on customers. Enforcing compliance is therefore directly tied to the Energy Bureau's duty to ensure just and reasonable rates. The fine imposed in the Resolution was modest, measured, and appropriate. It served both as a corrective measure and as a necessary signal that compliance with the Energy Bureau's orders is not optional. Importantly, the Resolution explicitly clarified that the sanction is separate from the merits of the rate case and does not prejudice the continuation of the proceeding.



For these reasons, I would deny the request for reconsideration and uphold the Resolution and Order imposing the fine in its entirety.

Accordingly, I respectfully dissent.

I sign this in San Juan, Puerto Rico, today April 7, 2026.



Sylvia B. Ugarte Araujo
Associate Commissioner

