

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

**NEPR**

**Received:**

**Apr 7, 2026**

**10:17 PM**

**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

**MOTION IN RESPONSE TO INFORMATIVE MOTION**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

**COMES NOW** the Puerto Rico Electric Power Authority ("PREPA"), through its counsel of record, and respectfully submits and prays as follows:

**I. Relevant Procedural Background**

1.1. On March 26, 2026, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("Resolution and Order") approving Proponent 3's eleven (11) Energy Storage Services Agreements ("ESSAs") and eleven (11) Power Purchase and Operating Agreements ("PPOAs" and together with the ESSAs, the "Agreements") for its twenty-two (22) distinct solar PV and battery energy storage system hybrid projects, under the Puerto Rico Electric Power Authority's ("PREPA") Request for Proposals (RFP) Power Advocate Event 237366.

1.2. Pursuant to Section III(E) of the Resolution and Order, the Energy Bureau ordered that certain actions be undertaken with respect to Proponent 3's Agreements. Some of such actions require that revisions be implemented at this stage, while others contemplate further actions, including potential future negotiations or modifications.

1.3. **At 7:47 PM, on March 31, 2026**, Proponent 3 submitted a correspondence to PREPA reiterating that it remains ready to continue to engage constructively and in good faith in this negotiation process, and requesting PREPA's confirmation of its availability to meet on Tuesday, April 7, 2026, at 9:00 AM, or at such other time during the week of April 6 through April 10, 2026, as may be convenient, to discuss the above-referenced revisions and actions, in furtherance of the Resolution and Order.

## **II. Meeting Request and Orderly Negotiation Process**

2.1 As a threshold matter, PREPA acknowledges the Energy Bureau's directives and reiterates its commitment to continue complying and fulfilling its mandates, considering the potential benefits to ratepayers arising from the timely development of these projects so as to enable them to qualify for applicable ITC's.

2.2 Proponent 3's Informative Motion is premature, procedurally unnecessary, and inconsistent with the good-faith, orderly negotiation framework mandated by the Puerto Rico Energy Bureau's Resolution and Order, and the Procedural Clarification issued on February 6, 2026.

2.3 On March 31, 2026, at 7:47 p.m., Proponent 3 transmitted a letter to PREPA requesting a meeting under Section III(E) of the Resolution and Order. This correspondence was received during the Easter government holiday period, when PREPA, as a public entity, was operating under limited staff and resources.

2.4 In that same correspondence, Proponent 3 unilaterally requested a response by April 7, 2026, the very same date on which it filed its Informative Motion,

without accounting for the intervening holiday period or PREPA's operational constraints.

2.5 Proponent 3 did not wait until the close of the April 7 business day before filing its Informative Motion. As a result, the filing occurred before PREPA had a reasonable and complete opportunity to respond.

2.6 Under these circumstances, the Informative Motion cannot reasonably be construed as evidence of delay, lack of diligence, or noncompliance by PREPA and is therefore premature.

2.7 At all times, PREPA has acted in good faith and within the parameters established by the Energy Bureau via its resolutions and orders.

2.8 In compliance with Section III(E)(1) of the R&O, PREPA formally notified **all proponents**, and without knowledge of the Informative Motion presented today, that the revised draft Energy Storage Services Agreements ("ESSAs") and Power Purchase and Operating Agreements ("PPOAs") provided by PREPA include revisions establishing a uniform automatic termination period of two hundred ten (210) days should financial closing fail to occur.

2.9 This revision was implemented simultaneously to all proponents, to ensure parity among all selected proponents, preserve due process, and comply fully with the PREB's directives.

2.10 Upon receipt of the revised draft Agreements, all proponents are required to review and formally acknowledge its conformity with this requirement, as expressly ordered by the Puerto Rico Energy Bureau.

2.11 Pursuant to Section III(E) of the Resolution and Order, the Energy Bureau ordered that certain actions be undertaken with respect to Proponent 3's Agreements.

2.12 As part of its final proposals for the projects submitted by Proponent 3, the proponent included alternative pricing scenarios. Specifically, Proponent 3 proposed revised pricing contingent upon the successful attainment of certain financing conditions. Such alternative pricing was not expressly incorporated into the Proponent 3 Proposed Contracts. Accordingly, the Energy Bureau required the parties to amend the relevant provisions of the contracts, particularly Appendix F (Compensation), to expressly establish the alternative compensation structures that would apply under each contract if the financing conditions contemplated in Proponent 3's final proposal are achieved.

2.13 Regarding Proponent 3's request for a meeting, PREPA informed Proponent 3 that its recommendation is for all parties to first complete the necessary exchange of compliant draft contractual provisions, as outlined in Sections III(E)(1) and III(E)(2).

2.14 PREPA further proposed that a meeting be scheduled only if material open items remain after review of revised draft documents.

2.15 This approach advances efficiency, avoids unnecessary filings, and supports timely completion of the approval process.

2.16 PREPA emphasizes that it is simultaneously negotiating with two additional selected proponents under the same procurement, and must therefore act fairly, uniformly, and consistently to preserve due process.

2.17 In sum, the negotiation process cannot be driven by premature filings that risk asymmetric treatment or unnecessary administrative burden.

2.18 PREPA again reminds Proponent 3 that PREPA has a statutory obligation to act in the best interests of its customers and ratepayers. Every action taken by PREPA in this process is directed toward fulfilling that obligation, ensuring reasonable pricing, protecting the public interest, and maintaining consistency with Puerto Rico's energy policy and regulatory framework. PREPA will not abdicate that responsibility, nor can it subordinate the interests of ratepayers to the unilateral expectations of any individual proponent.

**WHEREFORE**, PREPA respectfully requests that the Energy Bureau: (1) take **NOTICE** of the present Motion and of PREPA's good-faith efforts to comply with the March 26, 2026 Resolution and Order; (2) **DEEM** Proponent 3's Informative Motion is premature and procedurally unnecessary; (3) **DENY** Proponent 3's current request for the Energy Bureau to direct PREPA and Proponent 3 to meet within three (3) business and to schedule such follow-up meetings as may be necessary to advance Proponent 3's projects on an expedited basis; and (4) **DETERMINE** what deems to be the appropriate course of action.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 7th day of April 2026.

**CERTIFICATE OF SERVICE:** We hereby certify that this document was filed with the Office of the Clerk of the Energy Bureau using its Electronic Filing System at <https://radicacion.energia.pr.gov/login>. We also certify that a true and exact copy of this document was notified by electronic mail to [ysantiago@picoadvisors.com](mailto:ysantiago@picoadvisors.com).

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