

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

IN RE: IMPLEMENTATION OF THE
PUERTO RICO ELECTRIC POWER
AUTHORITY INTEGRATED RESOURCE
PLAN AND MODIFIED ACTION PLAN

CASE NO.: NEPR-MI-2020-0012

SUBJECT: PREPA Motions to Submit
Proposed Draft Amendment to PPOA, and
ESSAs, and Memorandum of Law in Support
of Request for Confidential Treatment for
Go Green USA America Corp, Jord LLC, Ciro
Project Portfolio and Ciro Salinas Project

RESOLUTION AND ORDER

I. Introduction and Background

On August 24, 2020, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("IRP Order") in the Integrated Resource Planning case that included a Modified Action Plan.¹ The Modified Action Plan included a directive for the Puerto Rico Electric Power Authority ("PREPA") to solicit competitive procurements for renewable energy and battery energy storage facilities.²

On June 13, 2022, the Energy Bureau issued a Resolution and Order which ordered PREPA to finalize negotiations with nine battery energy storage system ("BESS") projects including the Energle Go Green (Yabucoa) and the Jord Go Green (Daguao) BESS projects, each at 20 MW (4-hour duration). The Energle Go Green and Jord Go Green BESS projects as initially considered were not finalized; as noted below, PREPA's March 10, 2026, Motion provides an update on the status of those initially considered BESS projects.

On September 1, 2022, as part of the Modified Action Plan Tranche 1 procurement, the Energy Bureau approved the 38.7 MW solar PV project for Energle Go Green. On June 30, 2023, the Energy Bureau issued a Resolution and Order approving amendments to the Energle Go Green solar PV project (and other tranche 1 solar PV projects). The approved amendments followed an earlier Energy Bureau approval, issued on May 25, 2023, for similar amendments to other Tranche 1 solar PV projects.

The CIRO One solar PV project, 140 MW total, has proceeded in two phases, both outside of the Tranche 1 procurement structures arising from the Modified Action Plan.³ Phase one of the CIRO One project was for 90 MW, and phase 2 of the CIRO One project was for 50 MW.

The CIRO Two solar PV project (initially 33 MW) and the Guayama solar PV project (initially 25 MW) were both selected as part of the Tranche 1 procurement of renewable energy under the Modified Action Plan and included as approved projects in the Energy Bureau's September 1, 2022, Resolution and Order. Both projects received approval from the Energy

¹ Final Resolution and Order on the Puerto Rico Electric Power Authority's Integrated Resource Plan, *In re: Review of the Integrated Resource Plan of the Puerto Rico Electric Power Authority*, Case No. CEPR-AP-2018-0001, August 24, 2020 ("IRP Order").

² IRP Order, Modified Action Plan, procurement guidance at Table 17 (page 268) and RFP structure for procurement of Solar PV and Battery Energy Storage (pages 282-283).

³ Phase one of the CIRO One project (90 MW) was initially approved by the Energy Bureau in a Resolution and Order in case no. NEPR-AP-2021-0001 on April 8, 2021. Phase 2 of the CIRO One project (50 MW) was approved by the Energy Bureau in a Resolution and Order issued on November 30, 2023.



Bureau for amendments that included an increase in the solar PV capacity, from 33 MW to 68 MW for CIRO Two, and from 25 MW to 50 MW for Guayama.⁴

On March 10, 2026, PREPA filed a *Motion Submitting Proposed Draft ESSA's and Amendment to PPOA for Go Green USA America Corp. and Jord, LLC, and Memorandum of Law in Support of Request for Confidential Treatment* ("March 10 Motion").

Jm The March 10 Motion includes PREPA's request for approval of two standalone Energy Storage System Agreements ("ESSAs") for the Go Green USA – Yabucoa Energy Park, and the Jord – Naguabo Energy Park. Each ESSA is for an 80 MW, 320 MWh (4-hour duration) BESS resource.

Jm The March 10 Motion also included PREPA's request to approve the Fifth Amendment to a Power Purchase and Operating Agreement ("PPOA") for increased solar PV capacity for the Go Green USA solar PV project, initially approved as part of the Tranche 1 solar PV projects for 38.7 MW.

Jm The March 10 Motion included as Exhibit 1 PREPA Governing Board Resolution 5220 (February 19, 2026) which approved the execution of the two ESSAs and approved the increase in solar PV capacity at the Go Green USA location to a maximum of 100 MW. The March 10 Motion also included, respectively as Exhibits II, III, and IV, the ESSA for Go Green USA – Yabucoa Energy Park, the ESSA for Jord – Naguabo Energy Park, and the Fifth Amendment to the PPOA for the Go Green solar PV project.

Jm The March 10 Motion also requested that the Energy Bureau take notice of the March 10 Motion and grant confidential treatment to Exhibits II, III and IV.

Jm On March 27, 2026, PREPA filed a *Motion Submitting Proposed Draft ESSA's of CIRO Project Portfolio and CIRO Salinas Project, and Memorandum of Law in Support of Request for Confidential Treatment* ("March 27 Motion"). The CIRO One Project Portfolio consists of CIRO One Salinas, CIRO Two Salinas, and Guayama Solar Energy. While there are solar PV projects in place or construction is planned or underway at all three of these locations, the March 27 Motion is directly addressing only BESS projects proposed at each of these sites.

The March 27 Motion included as Exhibit I four proposed ESSA's associated with i) the CIRO One Salinas project, ii) the expansion of the project at CIRO One Salinas, known as "CIRO X", iii) the CIRO Two Salinas project, and iv) the Guayama Solar Energy project.⁵ All proposed BESS projects are of 4-hour duration, and respectively are 90 MW, 25 MW, 35 MW, and 25 MW. Included in PREPA's filing with the March 27 Motion was a copy of the PREPA Governing Board Resolution 5101, from November 15, 2023, for the CIRO One X, CIRO Two and Guayama BESS projects; and a copy of Resolution 5219, from February 19, 2026, for the CIRO One Salinas BESS project.

The public text in the March 27 Motion included the pricing associated with all four ESSAs. The CIRO One BESS project, at the site of CIRO One solar project, which is reasonable.⁶

The remaining three BESS projects (CIRO One X, CIRO Two, Guayama) include identical contract terms at a flat rate.⁷

The March 27 Motion states that the PREPA Governing Board approved and authorized the payment structure for the 90 MW CIRO One Salinas BESS project⁸ and approved the

⁴ Resolution and Order, *In re: Implementation of the Puerto Rico Electric Power Authority Integrated Resource Plan and Modified Action plan*, Case no.: NEPR-MI-2020-0012, May 25, 2023.

⁵ March 27 Motion, page 2 and page 7.

⁶ March 27 Motion, page 5.

⁷ March 27 Motion, page 3.

⁸ March 27 Motion, page 6, referencing PREPA Governing Board Resolution 5219.



“suggested capacity payment”⁹ for the CIRO One X, CIRO Two, and Guayama BESS projects.¹⁰ The March 27 Motion explicitly states that the PREPA Governing Board approval of the execution of these ESSAs is conditioned upon “compliance with applicable interconnection requirements, including any additional studies required by LUMA Energy, LLC”¹¹ and “execution of the ESSA’s conditioned to LUMA’s additional Interconnection Studies”.¹²

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The March 27 Motion requested that the Energy Bureau approve the four ESSA’s for each of the CIRO One, CIRO One expansion (CIRO One X), CIRO Two, and Guayama BESS resource projects, take notice of the March 27 Motion and grant confidential treatment to Exhibit I.

II. Discussion

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The proposed increase of solar PV capacity at the Go Green USA project (from 38.7 MW to 100 MW) presented in the Fifth Amendment to the Go Green PPOA is attained with no increase in price from the current contract (as amended in 2023). As noted in the March 10 Motion, “applicable technical studies validated that the system could support such an increase without adverse impact or additional costs to PREPA.”¹³ The Energy Bureau notes that with an increase in purchased renewable energy, there will be additional costs to PREPA associated with this contract, but those costs will be offset by a reduction in the amount of “marginal”¹⁴ fossil-fuel generated energy, whose considerable cost consists of both fuel and operation and maintenance. The Energy Bureau **DETERMINES** that the increase in energy from the Go Green solar PV project associated with the Fifth Amendment to the PPOA is fully aligned with the Modified Action Plan of the IRP Order. The Energy Bureau **APPROVES** the Fifth Amendment to the PPOA for the Go Green solar PV project presented in the March 10 Motion and in the attached Exhibit IV.

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The proposed BESS “standalone” contracts at Go Green USA – Yabucoa, and Jord – Naguabo approved by the PREPA Governing Board are in alignment with the Modified Action Plan of the IRP Order, which requires both renewable energy and battery energy storage system development. The confidential ESSA’s submitted as Exhibits II and III of the March 10 Motion provide firm pricing with protection to Puerto Rico ratepayers if interconnection costs exceed the currently estimated levels and reflect relatively low levelized costs.¹⁵ The levelized costs presented in the terms of the two ESSA contracts are reasonable; and the Energy Bureau **DETERMINES** that procurement of these resources at these prices is in alignment with the Modified Action Plan of the IRP Order. Notwithstanding the information provided in the current ESSA concerning ratepayer protections from further interconnection costs that could occur (however unlikely), if any further interconnection study costs are revealed that would change the contract values listed in the March 10 Motion, the Energy Bureau would need to revisit the overall cost assumptions to ensure that the projects would still be in alignment with the Modified Action Plan of the IRP Order.

⁹ March 27 Motion, page 3.

¹⁰ March 27 Motion, pages 4-5, referencing PREPA Governing Board Resolution 5101.

¹¹ March 27 Motion, page 6, pertaining to the CIRO One project (90 MW BESS).

¹² March 27 Motion, page 4, pertaining to the CIRO One X, CIRO Two, and Guayama projects (respectively, 25 MW, 35 MW, and 25 MW BESS).

¹³ March 10 Motion, page 3.

¹⁴ Each increment of solar PV energy will generally, initially, displace system energy “on the margin”, or the highest cost energy that would otherwise be needed to meet load during daytime hours. For example, this means that lower cost energy from the most efficient, or the least-fuel-cost resources will not initially be displaced by increments of solar PV energy.

¹⁵ Upon finalization of the contracts, the levelized costs and the contract terms will be made public but are treated as confidential at this stage of the contracting process.



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The four proposed BESS projects associated with the CIRO Project Portfolio (totaling 175 MW) include one project (CIRO One) with levelized costs of storage.¹⁶ The costs for the latter three projects are presumed to not include any further interconnection costs, since they are at locations where solar PV projects have already been planned (or are in place) and the interconnection infrastructure is considered as part of the solar PV project contractual terms.¹⁷ These levelized costs are reasonable; and the Energy Bureau **DETERMINES** that procurement of these resources at these prices is in alignment with the Modified Action Plan of the IRP Order. If any further interconnection study costs are revealed that would change the contract values listed in the March 27 Motion, the Energy Bureau **MUST** revisit the overall cost assumptions to ensure that the projects will still be in alignment with the Modified Action Plan of the IRP Order.

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Puerto Rico continues to need firm capacity to improve the reliability of its electric system. In LUMA's most recent submittal of its Resource Adequacy Study,¹⁸ Figure 1-1, "Emergence of Duck Curve in Puerto Rico, Hourly Electric Demand During Average Day of First Quarter" shows the effect on average load patterns due to increased solar PV installations (from distributed generation resources, or "behind-the-meter" ("BTM") solar PV). It demonstrates the increasing need (over the past few years) to have firm capacity available, after sunset, to provide the energy needed during the evening peak period of electricity demand. As solar PV resources continue to be installed, from either distributed resources (BTM) or from utility-scale installations such as those associated with Tranche 1 contracts the need for such capacity will continue to increase. BESS resources, with flexible dispatch characteristics responsive to rapid changes in need for injected energy, and able to charge "from the grid"¹⁹ provide such capacity.

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The Resource Adequacy Study also demonstrates the ability for increasing amounts of battery energy storage capacity to reduce the incidence of "loss of load expectation" or improve the overall reliability of the Puerto Rico system and reduce the ongoing load shed seen over the past few years which resulted in considerable part from inadequate capacity resources.²⁰ Table A-2, at page 76 of the report shows that the addition of increasing amounts of BESS resources has the potential to dramatically reduce the loss of load, or load shed events, from a current base case of 37 days/year to a much lower 2 days/year, for a sensitivity that assumes all Tranche 1 and other BESS resources are operating on the Puerto Rico system.²¹

For the above reasons, the Energy Bureau **APPROVES** the ESSA contracts provided in Exhibits II and II of the March 10 Motion, the Fifth Amendment of the PPOA provided in

¹⁶ Levelized costs of storage are often reported in terms of \$/MWh on the basis of the energy that is injected during the four hours per day that the project is presumed to "generate", while it charges during the remainder of the day. The compensation to the storage provider, under the ESSA contracts, are based on the actual capacity available relative to the contracted capacity amounts. Providers are compensated for capacity, not for actual energy injected during peak periods.

¹⁷ March 27 Motion, page 3. PREPA's consultant (Sargent and Lundy) noted that "the energy from the batteries will be dispatched through the interconnection of the solar projects".

¹⁸ NEPR-MI-2022-0002, *Puerto Rico Electrical System Resource Adequacy Analysis Report*, Fiscal Year 2026, December 5, 2025. Page 18.

¹⁹ All of the ESSA contracts considered in the two PREPA Motions here are able to charge from the grid and thus will be able to charge effectively at any time. They will be able to charge not just during any daytime period with "surplus" solar that may be available, but also during lower-load overnight hours when system generation reserves are more likely to be available to support charging needs.

²⁰ See, e.g., LUMA's "Monthly Generation Performance Report, February 2026", at https://lumaqr.com/wp-content/uploads/2026/04/2026.02_February-Generation-Performance-Report.pdf, "Load Shed Events", page 10.

²¹ See page 88 of the LUMA Resource Adequacy Report for a description of the modeled 1,830 MW of BESS resources which are considered in the results seen in Table A-2.



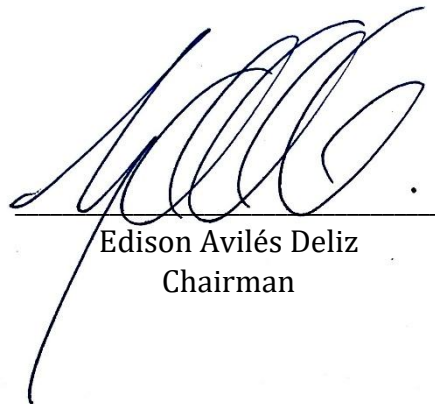
Exhibit IV of the March 10 Motion, and the four ESSA contracts provided in Exhibit I of the March 27 Motion.

III. Conclusion

The Energy Bureau **TAKES NOTICE** of PREPA's March 10 Motion and March 27 Motion. The Energy Bureau **GRANTS** confidential treatment of Exhibits II, III, and IV to the March 10 Motion and Exhibit I to the March 27 Motion. The Energy Bureau **APPROVES** the ESSAs for Go Green and Jord and **APPROVES** the Fifth Amendment to Go Green's PPOA. The Energy Bureau **APPROVES** the four ESSAs associated with the CIRO Project Portfolio.

The Energy Bureau **WARNS** PREPA that non-compliance with this Resolution and Order may result in the imposition of fines under Art. 6.36 of Act 157-2014²².

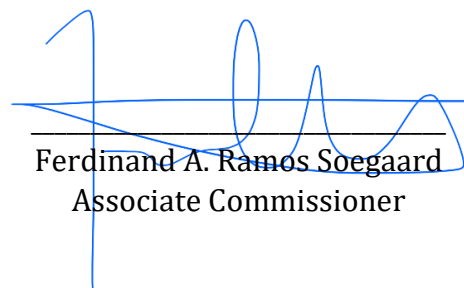
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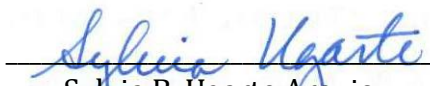
Edison Avilés Deliz
Chairman



Lillian Mateo Santos
Associate Commissioner



Ferdinand A. Ramos Soegaard
Associate Commissioner



Sylvia B. Ugarte Araujo
Associate Commissioner


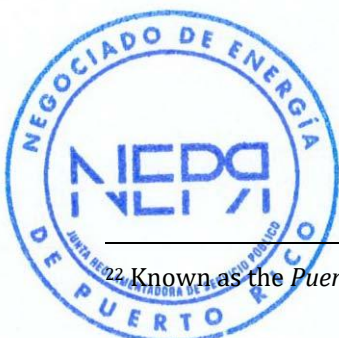


Antonio Torres Miranda
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on April 24, 2026. I also certify that on April 24, 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 nzayas@gmlex.net; mvalle@gmlex.net; alexis.rivera@prepa.pr.gov; rcruzfranqui@gmlex.net; katuska.bolanos-lugo@us.dlapiper.com; Yahaira.delarosa@us.dlapiper.com; laura.rozas@us.dlapiper.com; RegulatoryPREBorders@lumapr.com; jfernandez@ecija.com, legal@genera-pr.com, regulatory@genera-pr.com.

For the record, I sign this in San Juan, Puerto Rico, today April 24, 2026.



Sonia Seda Gaztambide
Clerk

²² Known as the Puerto Rico Energy Transformation and RELIEF Act, as amended ("Act 57 2014").