

**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 Yabucoa Energy, LLC.

RESOLUTION AND ORDER

On May 20, 2026, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("May 20 Resolution") in which, among other things, it concluded with respect to Yabucoa Energy, LLC ("Yabucoa Energy") that the administrative record contains conflicting and insufficient evidence regarding Yabucoa Energy's property rights and control over the proposed project site. Therefore, the Energy Bureau ordered the Puerto Rico Electric Power Authority ("PREPA") and Yabucoa Energy to meet and confer to clarify these issues and to determine whether the necessary property rights and control exist to permit continued negotiation and evaluation of the proposed contract. PREPA and Yabucoa Energy were also ordered to jointly file a submission informing the Energy Bureau whether an agreement or clarification has been reached to allow continuation of the contract evaluation process.

On June 1, 2026, PREPA and Yabucoa Energy filed a document titled *Joint Motion for Clarification Regarding Property Rights in Compliance with Resolution and Order dated May 20, 2026* ("June 1 Motion"). Through this motion, PREPA and Yabucoa Energy that, in compliance with the May 20 Resolution, held a conference call on May 22, 2026, regarding Yabucoa Energy's site control for the project. They indicated that Yabucoa Energy is in the process of finalizing a long-term land lease with the Puerto Rico Land Administration for the property and presented a draft term sheet and conditions letter for a 50-cuerda parcel in Yabucoa consistent with the proposed project site. They further stated that, upon execution of the Term Sheet and Conditions Letter, a copy will be submitted to the Energy Bureau.

On June 9, 2026, PREPA and Yabucoa Energy filed a *Joint Motion to Take Notice* ("June 9 Motion") informing that the Puerto Rico Land Administration issued terms and conditions for a proposed land lease, which Yabucoa Energy has accepted and executed. Specifically, the parties included as **Exhibit A** a letter dated June 2, 2026, issued by the Puerto Rico Land Administration. The parties argue that this execution confirms Yabucoa Energy's site control and authorization to develop the proposed battery energy storage system project, with the lease moving toward final approval by the Land Administration's Governing Board and, if applicable, the Financial Oversight and Management Board for Puerto Rico. Based on this development, they assert that the record now sufficiently demonstrates site control and request that the Energy Bureau proceed with evaluating and processing the proposal. They also request confidential treatment for the attached lease terms and related documents.

Based on the information submitted by PREPA and Yabucoa Energy, PREPA now considers that Yabucoa Energy has satisfied the site control and property rights requirements for the proposed project. Given that PREPA's recommendation against approval of Yabucoa Energy's proposal was based solely on concerns regarding Yabucoa Energy's property rights and control over the project site,¹ and considering that PREPA no longer disputes such matters, the Energy Bureau finds it appropriate for the contracting process to continue.

¹ See Anejo 1, Attachment B to the *Moción en Cumplimiento de Resolución y Orden de 26 de septiembre de 2025 y Memorando en Apoyo a Solicitud de Confidencialidad* filed by PREPA on November 13, 2025.



The Energy Bureau further notes that the pricing proposed by Yabucoa Energy in its Best and Final Offer ²remains within the range of prices previously approved by the Energy Bureau for comparable resources. Accordingly, PREPA and Yabucoa Energy are hereby **DIRECTED** to continue negotiations and address any remaining matters necessary to determine whether a final agreement may be reached. PREPA and Yabucoa Energy **SHALL** complete such negotiations within **the timeframe required to comply with the ITC deadlines, which should be within the next seven (7) days** from the notification of this Resolution and Order. If the parties reach an agreement, they shall jointly submit the proposed contract to the Energy Bureau within such terms for the Energy Bureau's evaluation and determination.

Upon review of PREPA's arguments and the applicable law, the Energy Bureau **GRANTS** confidential designation and treatment to Exhibits included as part of the June 9 Motion.

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

Be it notified and published.




Edison Avilés Deliz
Chairman



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 June 11, 2026. Associate Commissioner Lillian Mateo Santos did not intervene. I also certify that on June 11, 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; molinilawoffices@gmail.com.

For the record, I sign this in San Juan, Puerto Rico, today June 11, 2026.

Sonia Seda Gaztambide
Clerk

² See Revised and Improved Pricing submitted by Yabucoa Energy on February 9, attached as Exhibit 1 to PREPA's Motion in Compliance with the Resolutions and Orders of May 6 and May 7, 2026, and Memorandum of Law in Support of Request for Confidential Treatment, filed on May 13, 2026.