

**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 Proponent #7's *Motion Requesting Relief from the Puerto Rico Energy Bureau.*

RESOLUTION AND ORDER

On July 23, 2026, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("July 23 Resolution") clarifying that the evaluation and negotiation process applicable to Proponent No. 7 shall substantially follow the framework adopted for the Tranche 4 proceedings.¹ The Energy Bureau determined that any project-specific modifications must be limited in scope and may not constitute material or substantive departures from the contractual framework previously approved by the Energy Bureau. It further determined that, notwithstanding Proponent No. 7's characterization of its proposal as a hybrid project, the proposed Solar PV generation facility ("Solar PV") and Battery Energy Storage System ("BESS") shall be evaluated independently under their respective contractual frameworks and governed by separate agreements.² Accordingly, the Energy Bureau ordered the Puerto Rico Electric Power Authority ("PREPA") and Proponent No. 7 to continue their good-faith negotiations and jointly inform the Energy Bureau whether an agreement had been reached. If so, the parties were required to submit the corresponding proposed agreements for the Energy Bureau's review and determination; otherwise, they were required to file a joint status report identifying the unresolved issues and describing their efforts to resolve them.

Following PREPA's request for an extension of time to comply with the July 23 Resolution,³ on August 10, 2026, Proponent No. 7 filed a motion informing the Energy Bureau that the parties had not reached an agreement and alleging that PREPA had not engaged in substantive good-faith negotiations regarding the proposed PPOA and ESSA.⁴ Proponent No. 7 requested that the Energy Bureau intervene in the negotiation process and issue directives requiring PREPA to conduct substantive negotiation sessions and address Proponent No. 7's proposed contractual modifications.⁵

On August 11, 2026, PREPA filed a motion disputing Proponent No. 7's allegations that it had failed to engage in good-faith negotiations and asserting that it had reviewed and responded to Proponent No. 7's proposed modifications to the PPOA and ESSA, but that the parties were unable to agree on certain contractual provisions.⁶ PREPA further argued that the existence of unresolved contractual issues does not constitute noncompliance with the July 23 Resolution, which contemplated the possibility that the parties might not agree. PREPA therefore requested that the Energy Bureau deem it in compliance with the July 23

¹ See July 23 Resolution, p. 1.

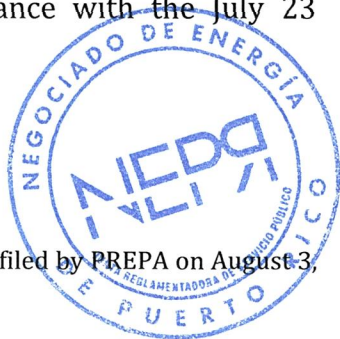
² See *Id.*

³ See *Motion Requesting an Extension of Time to Comply with Resolution and Order* filed by PREPA on August 3, 2026 ("August 3 Motion").

⁴ See *Informative Motion and Request for Relief from the Puerto Rico Energy Bureau* filed by Proponent No. 7 on August 10, 2026 ("August 10 Motion").

⁵ See August 10 Motion, p. 6.

⁶ See *Motion in Compliance with the July 23, 2026 Resolution and Order and Response to Proponent No. 7's Informative Motion and Request for Relief* filed by PREPA on August 11, 2026 ("August 11 Motion").



Resolution and Order and grant confidential treatment to the draft agreements submitted with the August 11 Motion.

On August 12, 2026, Proponent No. 7 filed a motion informing the Energy Bureau that, due to an inadvertent clerical error, Exhibits 1 through 11 submitted with its August 10 Motion were incorrect or incomplete.⁷ Proponent No. 7 submitted corrected versions of those exhibits and requested that the Energy Bureau substitute them for the previously filed exhibits and grant them confidential treatment.

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The Energy Bureau must further emphasize that, although it remains willing to facilitate and cooperate so that this process may advance in an orderly and expeditious manner, the Energy Bureau is not the entity responsible for negotiating the contractual agreements between the parties. That responsibility lies with PREPA, which must conduct the negotiations in accordance with the applicable legal framework and in consideration of the public interest. The role of the Energy Bureau in this context is not to intervene in the contractual negotiation process itself, but to evaluate and approve, or reject, the agreements ultimately reached by the parties, provided that such agreements comply with applicable laws, regulations, and public policy considerations. As it has done on prior occasions, to the extent it is appropriate to facilitate the resolution of discrepancies between the parties that could reasonably result in the approval of contracts consistent with the public interest, the Energy Bureau has intervened and may continue to do so. However, through its motion, Proponent No. 7 is inviting the Energy Bureau to step into PREPA's role and undertake negotiations over substantial portions of the contract. As previously emphasized, such an undertaking does not fall within the Energy Bureau's primary role, which is not to supplant the contracting party in the negotiation process, but to review and evaluate the agreements presented to it under the applicable legal and regulatory framework.

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The Energy Bureau further **CLARIFIES** that its regulatory review presupposes that PREPA and Proponent No. 7 have agreed on the contractual terms to be submitted for consideration. The parties, not the Energy Bureau, must determine through their negotiations whether mutually acceptable terms can be reached. If PREPA and Proponent No. 7 are unable to resolve their outstanding differences and reach an agreement, there will be no proposed contract for the Energy Bureau's review. Conversely, if the parties agree, the resulting proposed contract shall be submitted to the Energy Bureau for review and determination in accordance with the applicable legal and regulatory requirements and the Energy Bureau's prior directives in this proceeding.

[Handwritten mark]
The Energy Bureau **DENIES** Proponent No. 7's request that the Energy Bureau direct how the parties must conduct their negotiations, including its requests that the Energy Bureau require specific negotiation sessions, provision-by-provision responses, or particular contractual modifications. Such matters fall within the parties' negotiation process and must be resolved between PREPA and Proponent No. 7.

The Energy Bureau **DETERMINES** that if no proposed agreements approved by PREPA are submitted within the final term of ten (10) day from the notification of this Resolution and Orders, the Energy Bureau shall deem that PREPA and Proponent No. 7 were unable to reach an agreement and that the projects proposed by Proponent No. 7 will not proceed.

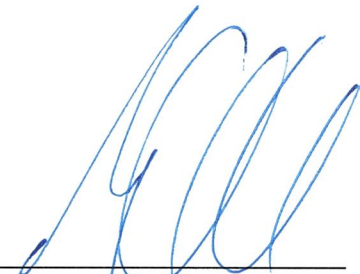
The Energy Bureau further **GRANTS** the requests for confidential designation and treatment of the documents submitted by Proponent No. 7 with the August 10 Motion, as corrected and substituted through the August 12 Motion, and of the draft agreements submitted by PREPA with the August 11 Motion.

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.

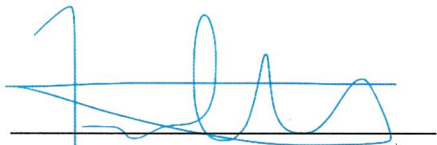
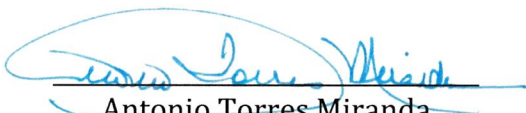
Be it notified and published.

⁷ See *Informative Motion* filed by Proponent No. 7 on August 12, 2026 ("August 12 Motion").





Edison Avilés Deliz
Chairman


Ferdinand A. Ramos Soegaard
Associate Commissioner
Sylvia B. Ugarte Araujo
Associate Commissioner
Antonio Torres Miranda
Associate Commissioner
Omar M. Rodríguez González
Associate Commissioner

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on August 21 2026. I also certify that on August 21 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 the following: alexis.rivera@prepa.pr.gov; nzayas@gmlex.net; mvalle@gmlex.net; rcruzfranqui@gmlex.net; eirizarry@ccdlawpr.com.

I sign this in San Juan, Puerto Rico, today August 21, 2026.


Sonia Seda Gaztambide
Clerk