

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

NEPR

Received:

Sep 10, 2026

9:47 PM

IN RE: Priority Plan for Electric Grid
Stabilization

CASE NO.: NEPR-MI-2024-0005

**PREPA'S MOTION TO SUBMIT RESPONSES IN COMPLIANCE WITH THE RESOLUTION AND
ORDER DATED AUGUST 31 2026**

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

1. On August 31, 2026, the Energy Bureau of the Puerto Rico Public Service Regulatory Board issued a *Resolution and Order* ("August 31 Order") directing PREPA to respond, on or before September 9, 2026, to the six (6) Requirements of Information directed at PREPA set forth in Attachment A, Part II (Questions to PREPA) thereto.

2. The August 31 Order further scheduled a Technical Conference for September 15, 2026, at 9:30 a.m. regarding the Energy Bureau's probe on the status, availability, operation, and maintenance of the temporary generation fleet sited between the San Juan and Palo Seco power plants.

3. On September 9, 2026, PREPA filed a motion requesting a one-day extension of time to submit its responses in compliance with the August 31 Order.

4. Within the additional time requested, PREPA hereby submits, as **Exhibit A**, its responses to the six (6) Requirements of Information directed to PREPA in Attachment A, Part II (Questions to PREPA), of the August 31 Order.

WHEREFORE, PREPA respectfully requests that the Energy Bureau **TAKE NOTICE** of PREPA's responses to the six (6) Requirements of Information set forth in Attachment A, Part II, of the August 31 Order, submitted herewith as **Exhibit A**, and **DEEM** PREPA to be in compliance with the August 31 Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 10th day of September 2026.

CERTIFICATE OF FILING AND SERVICE: It is hereby certified that this document was filed with the Office of the Clerk of the Energy Bureau through its electronic filing system, available at <https://radicacion.energia.pr.gov/login>. It is further certified that a file-stamped copy of the foregoing document was served upon the parties in the above-captioned proceeding at the following email addresses: LUMA Energy, LLC and LUMA Energy ServCo, LLC, through Margarita Mercado, margarita.mercado@us.dlapiper.com; Emmanuel Porro González, Emmanuel.porrogonzalez@us.dlapiper.com; Laura Rozas, laura.rozas@us.dlapiper.com; RegulatoryPREBOrders@lumapr.com; and Genera PR LLC through: ln@roman-negron.com; legal@genera-pr.com; regulatory@genera-pr.com.

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s/ Mirelis Valle Cancel

Mirelis Valle Cancel
RUA No.: 21,115
E-mail: mvalle@gmlex.net

Energy Bureau ROI No. 29. The federal grant provided for the acquisition of the seventeen (17) TM2 500 units, yet approximately 70 MW of that capacity remains unacquired. Explain the reasons why the completion of the purchase has not materialized, and provide the status of this acquisition, noting that this capacity is very much needed by the system.

PREPA Response to Energy Bureau ROI No. 29. The Puerto Rico Electric Power Authority (“PREPA”) initially acquired fourteen (14) of the seventeen (17) TM2500 units authorized for acquisition: ten (10) units located at the San Juan Power Plant and four (4) units located at the Palo Seco Power Plant. The remaining three (3) TM2500 Gen 8 units installed at Palo Seco could not be included in that transaction because they were owned by a third party, SAAVI, and were not available for sale, as confirmed to PREPA in May 2024. Consequently, PREPA’s Governing Board adopted Resolution No. 5138, authorizing a competitive request for proposals for three replacement TM2500 units in an amount not to exceed \$65,669,733.53. Under RFP 2024-0607, New Fortress Energy Power, LLC (“NFE”) was the only proponent that submitted a proposal. Following evaluation and negotiations, PREPA issued an award notification to NFE on January 29, 2025, in the amount of \$65,669,733.53. The acquisition did not materialize because the parties did not complete and execute the purchase contract. After the award, PREPA repeatedly requested the outstanding insurance and bond documents, corporate authorization, project schedule, and executed contract package, and later issued formal demands seeking completion of the transaction. NFE subsequently disputed that a binding agreement had been reached and objected to material terms of PREPA’s proposed contract. Because no contract was executed, PREPA cancelled RFP 2024-0607 on January 20, 2026, pursuant to Section 7.2 of its Request for Proposals procurement guidelines and in order to safeguard PREPA’s best economic interests. Accordingly, the approximately 70 MW represented by those three units remains unacquired, and there is no pending acquisition under RFP 2024-0607.

Energy Bureau ROI No. 30. Regarding the Purchase Option under Section 7.11 of the March 15, 2024 Asset Purchase Agreement, whose exercise window closed ninety (90) days following the closing date: state whether PREPA exercised the Purchase Option; if not, describe the “new arrangements” for the treatment of the non-acquired units on site discussed with the Seller pursuant to Section 7.11(e), the current location and custody of those units, and whether the Seller has demobilized or decommissioned them; and provide all related correspondence and agreements.

PREPA Response to Energy Bureau ROI No. 30. The Purchase Option under Section 7.11(b) of the APA was not exercised and expired on June 15, 2024, as recognized by NFE’s May 13, 2025 correspondence. No separate agreement concerning the treatment of the Non-Acquired Units under Section 7.11(e) has been identified. PREPA instead pursued the acquisition of three (3) replacement units through a separate competitive procurement authorized by Resolution No. 5138 and conducted under RFP 2024-0607. As of May 12, 2024, the three (3) TM2500 Gen 8 units installed at Palo Seco were owned by SAAVI and were not available for sale. The units were ultimately demobilized by their owner.

Energy Bureau ROI No. 31. Provide the status of the FEMA funding contemplated under the Asset Purchase Agreement (up to ninety percent (90%) of the purchase price), including amounts obligated and disbursed to date, the status of the deferred payment, and any pending conditions.

PREPA Response to Energy Bureau ROI No. 31. The Federal Emergency Management Agency (“FEMA”) obligated a total of \$372,298,490.00 for the project associated with the temporary generation units. Of this amount, the 90% federal cost share is \$335,068,641.00, with a corresponding 10% non-federal cost share of \$37,229,849.00.

PREPA acquired fourteen (14) TM2500 units for a total purchase price of \$306,598,756.47. These acquisition costs were advanced by the Central Office for Recovery, Reconstruction and Resiliency (“COR3”) and subsequently reconciled through the applicable Request for Reimbursement (RFR) process. The total amount reimbursed by COR3 in connection with the acquisition of the fourteen (14) units was \$275,938,880.82, representing the applicable 90% federal cost share.

Based on the current FEMA obligation and the purchase amount associated with the fourteen units, approximately \$65,699,733.53 remains within the total obligated project amount. The corresponding remaining 90% federal share is approximately \$59,129,760.18.

Pending Conditions: When item of equipment purchased with PA funding is no longer needed, or a residual inventory of unused supplies exceeding \$5,000 remains, the subrecipient must follow the disposition requirements in Title 2 Code of Federal Regulations (C.F.R.) § 200.313-314.

Energy Bureau ROI No. 32. State whether PREPA submitted the written request contemplated by the APA side letter for major maintenance of up to seven (7) units within twelve (12) months of closing; identify the units and dates; provide all related correspondence with NFE Power PR LLC and New Fortress Energy Inc.; and describe any steps taken to enforce the Seller's obligations, including under the Section 9.5 parent guaranty. If no request was made, explain why.

PREPA Response to Energy Bureau ROI No. 32. PREPA has not identified information confirming that a written request under the March 15, 2024 Side Letter was submitted within the applicable twelve-month period. During that period, Genera PR LLC (“Genera”) was responsible for operating and maintaining the TM2500 units, including identifying and communicating any applicable major-maintenance requirements. Nevertheless, Genera did not notify PREPA that any of the seven (7) units required major maintenance. PREPA has not identified any documentation reflecting a related enforcement action under Section 9.5 of the APA. PREPA has likewise not identified any communication from Genera notifying PREPA of any circumstances giving rise to the need for such enforcement.

No additional information regarding this matter has been communicated to PREPA’s DFMO. PREPA will contact P3A to determine whether it has any additional information or documentation concerning the matters addressed in this response. Should any additional responsive information be identified, PREPA will supplement this response accordingly.

The Side Letter is attached for reference. See Attachment No. 1.

Energy Bureau ROI No. 33. Identify any claims made or considered under the representations, warranties, or indemnities of the Asset Purchase Agreement relating to the condition of the units, including the maintenance findings in the borescope reports referenced in the disclosure schedules, and provide the related documentation.

PREPA Response to Energy Bureau ROI No. 33. PREPA has not identified information confirming that any claim was submitted under the representations, warranties or indemnification provisions of the APA concerning the condition of the TM2500 units. Genera is responsible for operating and maintaining the TM2500 units, including identifying circumstances that may give rise to a claim under the representations, warranties, or indemnification provisions of the Asset Purchase Agreement and notifying PREPA of the need to submit any such claim. PREPA has not identified any communication from Genera notifying PREPA of the need to submit such a claim.

The maintenance findings reflected in the borescope reports were disclosed in Schedule 5.6 and addressed through the maintenance accommodation established in the March 15, 2024 Side Letter.

No additional information has been communicated to PREPA's DFMO regarding this matter. Should any additional responsive information be identified, PREPA will supplement this response accordingly.

Energy Bureau ROI No. 34. Describe the coordination between PREPA and Genera regarding the funding source for TM2500 repairs, including whether contractual remedies under the acquisition documents were evaluated before ratepayer-sourced funding mechanisms be pursued.

PREPA Response to Energy Bureau ROI No. 34. Genera is responsible for operating and maintaining the TM2500 units and for identifying and communicating their repair requirements to PREPA. PREPA has not identified documentation showing that Genera referred any repair requirement to PREPA for evaluation under the Side Letter before ratepayer-sourced funding was considered.

Execution

Confidential

March 15, 2024

Puerto Rico Electric Power Authority
Attn: Chief Executive Officer – Josué Colón Ortiz
PO BOX 364267
San Juan, Puerto Rico 00936-4267

Ladies and Gentlemen:

Reference is made to the Asset Purchase Agreement dated as of March 15, 2024 between NFE Power PR LLC as Seller, The Puerto Rico Electric Power Authority as Buyer and New Fortress Energy Inc. (solely for the purposes of Section 9.5 thereof) (the “Asset Purchase Agreement”). Capitalized terms used but not defined herein shall have the meanings set forth in the Asset Purchase Agreement.

Section 5.6 of the Disclosure Schedules to the Asset Purchase Agreement include references to a list of borescope reports shared with Buyer related to the Acquired Assets. Those reports contain certain maintenance findings relating to the Acquired Assets which are included in the Disclosure Schedules as an exception to the representation and warranty of Seller in Section 5.6 of the Asset Purchase Agreement. Buyer and Seller are entering into this letter agreement to set forth an accommodation that Seller is agreeing to with respect to such maintenance findings and in consideration for Buyer accepting such disclosures.



Upon written request by Buyer (specifying the applicable unit) no later than 12 months following the closing of the Asset Purchase Agreement, Seller will provide a major maintenance for up to seven units of any of the Power Generation Equipment (seven major maintenance completions in the aggregate for all units). Such work shall be done by Seller in accordance with manufacturer's recommendations and prudent industry practice for such major maintenance repairs of similar units. Upon completion, Seller shall deliver to Buyer a standard certification from General Electric or a third party General Electric qualified company such as ProEnergy, GE Vernova or GE Aerospace. For the avoidance of doubt, “major maintenance” shall include, but is not limited, to any repair and/or replacement of any and all parts that are identified as damaged or not serviceable as part of the entire unit while the Hot Section major maintenance is being performed. Seller will also bear any and all cost and expenses in connection with, if applicable, disassembly and reassembly at site, as well as shipping the Power Generation Equipment to and from an authorized General Electric or General Electric repair service center.

Buyer will cooperate and provide Seller access to the site and Power Generation Equipment as needed to complete such work. Buyer will have the right to be present, inspect and confirm that such maintenances conform to the manufacturer's specifications for the product.

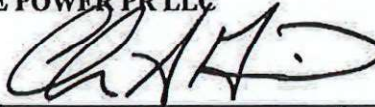
The obligations of Seller under this side letter shall be considered “Guaranteed Obligations” and subject to Parent's obligations under Section 9.5 of the Asset Purchase Agreement, subject to the terms and conditions thereof.

The terms of Article IX of the Asset Purchase Agreement are hereby incorporated by reference as if set forth herein and for purposes hereof references therein to “this Agreement” shall be deemed to be references to this side letter.

[Signature Page Follows]

Very truly yours,

NFE POWER PR LLC

By: 

Name: CHRISTOPHER GUINTA

Title: CHIEF FINANCIAL OFFICER

EIN: 66 0943155

Acknowledged and agreed:

THE PUERTO RICO ELECTRIC POWER AUTHORITY

By: 

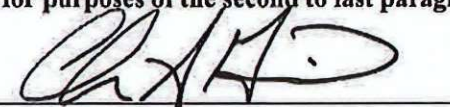
Name: Josué A. Colón Ortiz

Title: Executive Director

EIN: 66 0433747

NEW FORTRESS ENERGY INC.

(solely for purposes of the second to last paragraph of this letter)

By: 

Name: CHRISTOPHER GUINTA

Title: CHIEF FINANCIAL OFFICER

EIN: 83 - 1482060