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

IN RE: YABUCOA DECOMMISSIONING PLAN	**CASE NO.:** NEPR-MI-2026-0006 **SUBJECT:** Approval of the Yabucoa Decommissioning Plan.

RESOLUTION AND ORDER

I. Relevant Background

On July 1, 2026, Genera PR LLC ("Genera") filed a *Motion to Submit Yabucoa Decommissioning Plan Pursuant to Article 16 of the Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement*. Through that filing, Genera submitted the proposed Decommissioning Plan for the Yabucoa Power Station, together with a Community Relations Plan, following the Decommissioning Notice issued by the Puerto Rico Public-Private Partnerships Authority on June 2, 2026.

On September 10, 2026, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order approving the proposed Decommissioning Plan, subject to the budget adjustments identified in Part III(G)(1) and the conditions concerning the removal and preservation of diesel fuel storage and distribution infrastructure established in Part III(J) ("September 10 Resolution").

Specifically, the Energy Bureau determined that the indirect expenses identified in the proposed Decommissioning Plan to be incurred by the Puerto Rico Electric Power Authority ("PREPA"), including the costs associated with the removal of chemicals, hazardous materials, and transformer oil, were integral to the decommissioning project.[1] Accordingly, the Energy Bureau directed Genera to assume responsibility for those activities and incorporate their associated costs into the Decommissioning Budget, rather than treating them as expenses to be incurred directly by PREPA outside that budget.[2]

The Energy Bureau also conditioned the removal of the existing diesel fuel storage and its distribution infrastructure upon the preservation of the replacement peaking units' intended dual-fuel capability.[3] Genera was required to demonstrate that adequate replacement infrastructure would be available to receive, store, transfer, and deliver diesel fuel to those units. If the replacement project did not include, or would not timely provide, adequate diesel infrastructure, Genera was required to preserve the portions of the existing infrastructure necessary to maintain that capability, unless otherwise authorized by the Energy Bureau.[4]

The September 10 Resolution required Genera to submit an updated Decommissioning Plan addressing these adjustments and conditions for the Energy Bureau's review before commencing execution.

On October 2, 2026, Genera filed a *Motion to Submit Updated Yabucoa Decommissioning Plan in Compliance with Resolution and Order of September 10, 2026* ("October 2 Motion"). Genera submitted an updated Decommissioning Plan under seal ("Updated Plan") and requested that the Energy Bureau deem it in compliance with the September 10 Resolution and authorize execution of the Updated Plan.

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[1] See September 10 Resolution, pp. 8-9.

[2] *Id.*

[3] See September 10 Resolution, pp. 11-12.

[4] *Id.*

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II. Review of the Updated Plan

A. Responsibility for Decommissioning Activities and Inclusion of Associated Costs

Genera revised Section 8.2.2 of the Updated Plan to identify Genera, rather than the "Owner," as the party responsible for removing chemicals and hazardous materials before dismantlement and for removing the oils used in the transformers. [5] Genera also revised Section 8.2.7 to identify the indirect expenses previously attributed to the "Owner" as Genera's costs.[6] Those activities include project management, engineering and information technology support, permitting, de-energization, draining and removal of oils, removal of contaminants and hazardous chemicals, site security, public relations, demolition support, and site services.[7]

These revisions address the allocation of responsibility established in Part III(G)(1) of the September 10 Resolution. However, although Genera revised the descriptions assigning responsibility for these activities, the budget schedules in Appendices D and E retain the same amounts and the same total Decommissioning Budget of $2,699,780.[8] The Updated Plan does not separately identify an increase or a reconciliation showing where the costs previously attributed to PREPA have been incorporated.

For purposes of this review, the Energy Bureau understands Genera's revisions and representations to mean that the costs of all such activities are included within, and subsumed under, the existing budget line items. Thus, the unchanged total reflects a budget that already encompasses those costs, rather than their continued exclusion from the decommissioning project.

To make the administrative record clear, the Energy Bureau **ORDERS** Genera to submit a sworn certification executed by an authorized officer of Genera with knowledge of the relevant budget. The certification shall affirm that the $2,699,780 Decommissioning Budget submitted with the Updated Plan includes all costs associated with the decommissioning activities previously attributed to PREPA or the "Owner" outside that budget, including the indirect expenses and the removal of chemicals, hazardous materials, and transformer oil addressed in Part III(G)(1) of the September 10 Resolution. The certification shall further affirm that those costs are covered by the existing budget line items and are not excluded from the submitted Decommissioning Budget.

The Energy Bureau accepts the foregoing revisions addressing Part III(G)(1) of the September 10 Resolution, subject to submission of the sworn certification required herein.

B. Replacement Diesel Fuel Infrastructure

In paragraph 6 of the October 2 Motion, Genera represents that the replacement peaking project includes the diesel fuel infrastructure necessary to preserve the replacement units' intended dual-fuel capability and that removal of the existing infrastructure will not leave those units dependent upon natural gas as their sole practically available fuel source.[9]

To address Part III(J) of the September 10 Resolution, Genera incorporated a clarification into footnote 1 to Section 5.2 of the Updated Plan, which states:

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[5] See Updated Plan, pp. 38-39.

[6] See Updated Plan, pp. 41-42.

[7] *Id.*

[8] See Updated Plan, Appendix D and E.

[9] See October 2 Motion, ¶ 6, p. 3.

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> *The peakers project as approved by FEMA includes new diesel fuel storage and distribution infrastructure to replace the existing infrastructure to receive, store, transfer, and deliver diesel fuel to the units that have been specified to operate and have dual-fuel capability.*[10]

Thus, the Updated Plan expressly represents that the replacement peaking project include the diesel fuel infrastructure necessary to support the units' intended dual-fuel operation.

Based on these representations, the Energy Bureau finds that Genera has addressed the requirement concerning replacement diesel fuel infrastructure. To document the basis for that determination in the administrative record, the Energy Bureau **ORDERS** Genera to submit the supporting documentation demonstrating that the replacement peaking project includes the infrastructure necessary to receive, store, transfer, and deliver diesel fuel, and that the associated costs are included in that project's scope and budget.

Genera shall also submit a sworn certification executed by an authorized officer with knowledge of the replacement peaking project. The certification shall authenticate the submitted documentation and affirm that it accurately reflects the inclusion of the replacement diesel fuel infrastructure and its associated costs in that project. The certification shall further affirm that the infrastructure will be available in time to preserve the replacement peaking units' intended dual-fuel capability.

The Energy Bureau **ACCEPTS** Genera's clarification as addressing Part III(J) of the September 10 Resolution, subject to submission of the supporting documentation and sworn certification required herein.

C. Modified Timeline

Although Genera represented that the revised document addressed certain modifications required by the Energy Bureau, it failed to disclose that it had also materially altered the project's implementation timeline, fundamentally changing the schedule, sequencing, and overall framework of activities previously presented and expressly approved by the Energy Bureau in Part III(H) of its September 10 Resolution. The Energy Bureau finds this omission raises serious concerns regarding the transparency and completeness of Genera's representations and unnecessarily burdens the Energy Bureau's regulatory review.

The decommissioning timeline constitutes a substantive component of the plan that must be consistent with the requirements of the Generation Operation and Maintenance Agreement ("Generation OMA")[11] and applicable public policy considerations. Its importance is further underscored by the contractual provisions governing Genera's timely performance of decommissioning activities, including the potential imposition of penalties of up to $1 million per week for delays, subject to the applicable contractual terms. Accordingly, the timeline serves as an essential mechanism for monitoring project implementation, assessing Genera's contractual compliance, and determining whether delays may trigger contractual consequences. Material modifications to that timeline therefore require adequate disclosure, justification, and regulatory scrutiny.

Whereas the previously approved timeline established specific calendar milestones extending from the third quarter of 2024 through the first quarter of 2027, with decommissioning and demolition activities scheduled to commence in the third quarter of 2026, the revised timeline eliminates those calendar references and replaces them with relative durations measured from an undefined "Project Month 0." The revised schedule now contemplates an overall project duration of approximately fifty-six (56) months, or four (4) years and eight (8) months, and places the commencement of demolition approximately

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[10] *See* Updated Plan, § 5.2, p. 13, n. 1.

[11] Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement dated January 24, 2023, executed by and among PREPA, the Public-Private Partnership Authority ("P3 Authority") and Genera ("Generation OMA").

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twenty-seven (27) months after the purported beginning of the project. At the same time, Genera retains the estimated 34-week period following issuance of the Notice to Proceed ("NTP") for completion of demolition and decommissioning activities, while eliminating the previously established completion target of the first quarter of 2027. The revised document also removes the previously identified third-quarter 2026 milestone for execution of the demolition change order and replaces it with generalized references to contracting, mobilization, and required approvals. These modifications raise substantial questions regarding the reasonableness and internal consistency of the proposed schedule, particularly because Genera has failed to identify the calendar date corresponding to "Project Month 0," reconcile the various proposed durations, or establish a definite projected completion date.

Moreover, the revised timeline introduces additional uncertainty by conditioning certain activities on permits, authorizations, and other prerequisites without adequately distinguishing between those already obtained, those currently pending, and those that remain necessary for project execution. This is particularly concerning because the documentation submitted by Genera identifies multiple completed activities and approvals associated with the project, including matters involving FEMA and other permitting processes. Furthermore, the Updated Plan characterizes Appendix C as a planning-level schedule whose actual dates may vary depending on approvals, contracting, and operational coordination. Although certain scheduling contingencies may be reasonable, such qualifications cannot substitute for a defined and adequately supported implementation schedule. On the present record, Genera has not demonstrated that the proposed durations adequately account for the project's actual progress or that previously completed milestones and obtained authorizations have not been treated as future contingencies that could unnecessarily delay project completion.

The Energy Bureau cannot accept a project implementation timeline that fails to accurately reflect the status of the project, incorporates unsupported delays, or effectively establishes a new temporal framework inconsistent with Genera's contractual commitments and the schedule previously approved by the Energy Bureau. Replacing established calendar milestones with undefined relative durations, without adequate disclosure or justification, undermines the ability to measure Genera's performance against enforceable deadlines and to determine whether contractual remedies may be warranted. Accordingly, neither the submission of the revised timeline nor its consideration by the Energy Bureau shall be construed as approval of an extension, suspension, or modification of the previously approved execution timeline or any applicable contractual deadline, nor as a waiver of any rights, remedies, or penalties available under the Generation OMA.

Accordingly, in light of the substantial discrepancies identified, the Energy Bureau **ORDERS** Genera to submit, **within ten (10) days** from the notification of this Resolution and Order, a new, comprehensive, detailed, and properly supported project implementation timeline establishing a definite commencement date and specific calendar dates for the commencement and completion of all material activities, including their respective durations, sequencing, and interdependencies. The revised timeline shall account for all FEMA approvals, permits, authorizations, completed milestones, and actual project progress; identify the calendar date corresponding to "Project Month 0"; explain the basis for the proposed 56-month overall duration and its relationship to the commencement of demolition in month 27 and the estimated 34-week period following issuance of the NTP; and justify any departure from the previously approved commencement and completion milestones. Genera shall also identify all pending permits and authorizations, explain their effect on the project's critical path, and identify and justify any material modifications to Appendix C. Any remaining activities, dependencies, or projected delays shall be specifically identified and adequately supported. The revised timeline must reflect a reasonable, realistic, and expeditious implementation schedule consistent with Genera's obligations under the Generation OMA, without unnecessarily postponing activities that can proceed based on approvals already obtained and work already completed.

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III. Conclusion

The Energy Bureau **DEEMS** Genera to have addressed the modifications required by Parts III(G)(1) and III(J) of the September 10 Resolution and **APPROVES** the Updated Plan submitted on October 2, 2026, except for the modified project implementation timeline addressed in Section II(C) of this Resolution and Order, which remains subject to further review and approval by the Energy Bureau. The Energy Bureau determines that the deficiencies identified in the revised timeline do not warrant delaying the commencement of decommissioning activities that may otherwise proceed in accordance with the approved Update Plan and applicable requirements. Accordingly, the Energy Bureau **AUTHORIZES** Genera to commence implementation of the Updated Plan, provided that such authorization shall not be construed as approval of the modified timeline, an extension of the previously approved project milestones, or a modification of Genera's contractual obligations under the Generation OMA.[12] Any updated version of the Decommissioning Plan shall include a redline version in Word.

Notwithstanding the foregoing approval and authorization, the Energy Bureau **ORDERS** Genera to submit, **within ten (10) days** from the notification of this Resolution and Order:

i. the revised project implementation timeline and supporting explanations required under Section II(C) of this Resolution and Order.

ii. the supporting documentation and sworn certifications required under Sections II(A) and II(B).

iii. continue submitting the monthly status reports required by Part III(I) of the September 10 Resolution.

The Energy Bureau **WARNS** Genera that, in accordance with Art. 6.36 of Act 57-2014[13], 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

Omar M. Rodríguez González
Associate Commissioner

[12] Nothing in this Resolution and Order, including the approval of the Updated Plan or the authorization to commence its implementation, shall be construed as approving, excusing, or otherwise justifying any delay in the installation or commissioning of the replacement peaking units, which is the subject of a separate pending adjudicative proceeding before the Energy Bureau. All matters concerning such delays, including any associated contractual obligations or consequences, remain subject to determination in that proceeding.

[13] Known as *the Puerto Rico Energy Transformation and RELIEF Act*, as amended ("Act 57-2014").

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau agreed on October 15, 2026. I also certify that on October 15, 2026, I have proceeded with the filing of this Resolution and Order and was notified by email to legal@genera-pr.com; regulatory@genera-pr.com; jfernandez@ecija.com; jdiaz@ecija.com; eramos@ecija.com.

I sign this in San Juan, Puerto Rico, today October 15, 2026.

Sonia Seda Gaztambide
Clerk

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