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

IN RE: MANEJO DEL MANTENIMIENTO Y REPARACIONES DE LAS UNIDADES DE GENERACIÓN UTILIZADAS POR LA AUTORIDAD DE ENERGÍA ELÉCTRICA DE PUERTO RICO PARA SUPLIR SERVICIO ELÉCTRICO	**CASE NO.:** NEPR-MI-2021-0014 **SUBJECT:** Motion to Inform Contractor Assessment Regarding Costa Sur Unit 5 Transformer, Request for Expedited Relief and Transfer of Contingency Reserve Funds

MOTION TO INFORM CONTRACTOR ASSESSMENT REGARDING COSTA SUR UNIT 5 TRANSFORMER, REQUEST FOR EXPEDITED RELIEF AND TRANSFER OF CONTINGENCY RESERVE FUNDS

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW GENERA PR LLC ("Genera"), as agent of the Puerto Rico Electric Power Authority ("PREPA"),[1] through its counsel of record, and respectfully submits and prays as follows:

1. On October 13, 2026, Genera submitted a Motion to Inform of the Proposed Outage of Costa Sur Unit 5 Due to Main Power Transformer Condition and Request for Authorization to Proceed ("October 13 Motion"), informing the Energy Bureau on the condition affecting the main power transformer of Costa Sur Unit 5 and the need for technical intervention. Costa Sur Unit 5 was taken out of service on October 13, 2026. Genera now submits this urgent follow-up to provide the contractor's findings, the anticipated scope and timing of corrective work, and the related funding requirements.

[1] Pursuant to the *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* ("LGA OMA"), dated January 24, 2023, executed by and among PREPA, the Puerto Rico Public-Private Partnerships Authority and Genera, Genera is the sole operator and administrator of the Legacy Generation Assets (defined in the LGA OMA), and the sole entity authorized to represent PREPA before the Energy Bureau with respect to any matter related to the performance of any of the O&M Services provided by Genera under the LGA OMA.

2. On October 21, 2026, Genera received an assessment report from Beta Electric Corporation ("Contractor") regarding the main power transformer, which is submitted under seal as **Exhibit A** to this Motion. The assessment report identifies that the "core has more than one point to ground" in the transformer. The report also concludes that "[d]ue to the conditions mentioned in the note, the transformer could experience a catastrophic failure". Moreover, the recommendation from the Contractor was that "[b]ased on tests results obtained and internal visual inspections, this transformer cannot be energized". Accordingly, the unit was not able to safely be returned to service in its present condition.

3. Genera evaluated available alternatives for repairing the affected transformer and replacing it with an available spare transformer. Based on the current preliminary assessment, replacement is estimated to require approximately five (5) to six (6) weeks.

4. A major overall repair of the affected transformer, by contrast, could require approximately three (3) months or longer, depending on parts availability, any additional or concealed damage discovered during disassembly and repair, and other technical contingencies. These periods are preliminary estimates and remain subject to refinement as repair work progresses.

5. On October 23, 2026 Genera received an amended report from the Contractor, which is submitted under seal as **Exhibit B** to this Motion , identifying certain loose screws as a potential cause of the ground fault, one of which may have come into contact with the transformer core, resulting in electrical arcing. The Contractor further indicated that, following the completion of the vacuum process, oil refilling, and final testing, it may be possible to safely re-energize the unit in less time than originally forecasted.

6. In light of these recent findings, the estimated repair timelines and Puerto Rico's generation needs, Genera considers that the most prudent and adequate course of action is to proceed in accordance with the Contractor's recommendations set forth in the October 23, 2026 amended report. The estimated timeframe to complete the necessary repairs, conduct testing, and return the transformer to service is approximately one (1) week. Accordingly, Genera anticipates that Costa Sur Unit 5 may return to service by October 31, 2026, subject to the successful completion of the required repairs and testing. Genera has been in constant communication with LUMA and P3A and all this information has been shared with them.

7. The outage of Costa Sur Unit 5 represents an approximately 400MW generation capacity deficiency in Puerto Rico's electric system. Given the magnitude of this loss, Genera will continue coordinating operational measures to seek to cover the generation shortfall through any other generating units that are available, subject to their operating conditions and system requirements. Such measures, however, do not eliminate the short term need to restore Costa Sur Unit 5 as promptly as reasonably possible.

8. It is important to notify that expenditures related to these repairs may be eligible to be funded through the Genera Contingency Reserve Account established for emergency and forced-outage requirements. In the June 15, 2026 Resolution and Order in Case No. NEPR-MI-2021-0004, the Energy Bureau approved an amendment to the FY2027 Budget establishing and funding the Contingency Reserve Account in the amount of thirty million dollars ($30,000,000).

9. On September 2, 2026, Genera submitted a Motion in Case No. NEPR-MI-2021-0004 ("September 2 Motion") requesting FY2027 and FY2028 Budget Authorization for Consent Decree-Mandated Environmental Outages. As explained in the September 2 Motion, PREPA had not transferred the required and authorized funds to the Genera Contingency Reserve Account .

This transfer remains outstanding. Therefore, Genera respectfully requests that the Energy Bureau order PREPA to promptly transfer the previously approved funds to the Contingency Reserve Account so that the necessary response to this outage can proceed without avoidable funding-related delay.

10. Genera further informs the Energy Bureau that Costa Sur Unit 5 is also subject to a mandatory environmental outage under the Federal Consent Decree. In its September 2 Motion, Genera requested prospective FY2027 and FY2028 budget authorization for several Consent Decree-mandated environmental outages, including $1,825,000 for Costa Sur Unit 5. The September 2 Motion also explained that these expenditures were not adequately funded under the approved budgets and requested appropriate budget authorization or reallocation to enable timely compliance. Genera reiterates the importance of promptly addressing the **separate budget authorization requested** in the September 2 Motion.

11. The transformer condition, the resulting loss of approximately 400 MW, and the potential consequences of funding delays present a matter of exceptional urgency. Genera respectfully requests that the Energy Bureau act with the promptness warranted by these circumstances, including by directing the immediate transfer of the already-approved contingency reserve funding and providing any additional direction necessary to facilitate the timely restoration of Costa Sur Unit 5.

12. Finally, Genera respectfully requests that Exhibit A, and Exhibit B be kept confidential in accordance with the PREB's *Policy on Management of Confidential Information*, CEPR-MI-2016-0009, as amended on September 21. Through a separate filing, withing ten (10) days of the filing of this Motion, Genera will submit a memorandum of law in support of its request to treat such information confidential pursuant to said policy.

WHEREFORE, Genera respectfully requests that the Energy Bureau: (i) take notice of the contractor's assessment submitted under seal as Exhibit A, the identified ground fault, and the projected restoration alternatives and costs; (ii) order PREPA to promptly transfer the previously approved $30,000,000 to the Genera Contingency Reserve Account to permit timely funding of the required outage response; (iii) take notice of Genera's separate pending funding request in September 2 Motion; (iv) consider and resolve the matters raised herein on an expedited basis; and (v) grant such other relief as may be just and proper.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 23rd day of October 2026.

CERTIFICATE OF SERVICE: We hereby certify that a true and accurate copy of this motion was filed with the Office of the Clerk of the Energy Bureau using its Electronic Filing System and that we will send an electronic copy of this motion to the following counsel of record: alexis.rivera@prepa.pr.gov; mvalle@gmlex.net; nzayas@gmlex.net; rcruzfranqui@gmlex.net; margarita.mercado@us.dlapiper.com; katiuska.bolanos-lugo@us.dlapiper.com; karenortiz@aes.com; elias.sostre@aes.com; carlos.reyes@ecoelectrica.com.

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Exhibit A - Confidential

Assessment Report Issued by Beta Electric Corporation on October 21, 2026, Regarding the Costa Sur Unit 5 Main Power Transformer

[Exhibit has been filed under seal]

Exhibit B - Confidential

Amended Assessment Report Issued by Beta Electric Corporation on October 23, 2026, Regarding the Costa Sur Unit 5 Main Power Transformer

[Exhibit has been filed under seal]