



# Periodic Update #2

February 25, 2023

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## **I. Overview**

In accordance with Section 4.2(i) Periodic Reports of the Operation and Maintenance Agreement (OMA), Genera PR LLC (Genera) hereby submits to the Public-Private Partnership Authority (P3A) the second Periodic Report which includes updates on the Mobilization Plan and completed obligations. It also provides updates on the Handover Checklist per Section 4.2(b) Handover Checklist of the OMA. Information regarding the Handover Checklist and Media Communications are in the appendices.

## **II. Executive Summary**

The Periodic Report #2 for February 25, 2023, contains Genera's progress through the mobilization phase. We are happy to report that we have had remarkable success in engaging with PREPA employees, with great turn up to our meet-and-greet sessions with an approval rating of 4.0 stars (out of 5.0 stars) on the process so far. Employees have expressed high interest in joining the Genera team. Moreover, as shown below, we have already engaged 84% of PREPA employees and have identified 182 out of 264 critical positions. We have been present in the media, conveying our message aligned with the Communication Plan and all the Genera transition team functional areas have engaged their respective counterparts in PREPA, LUMA, COR3 & P3A.

### III. [Commercial Report](#)

#### Completed Mobilization Period OMA Obligations

This section represents the OMA obligations completed in the past two weeks only. All previous weeks' completed OMA obligations are removed to minimize the length of the report.

Section	Description	Responsible Party	Status
4.2 (q)	Communications Plan	Genera (Operator)	Completed
4.2 (q)	Mobilization Period Deposit & Evidence thereof	PREPA (Owner) P3A (Administrator)	Completed
21.14	Office of Comptroller - Evidence of Filing	PREPA (Owner)	Completed
4.1(c)(i)	Title III Court Motion for Administrative Expenses	PREPA (Owner)	Completed

### IV. [Mobilization Process Update](#)

#### Personnel and Training

- Genera has commenced a meet-and-greet campaign across the operating locations to structurally introduce Genera to existing PREPA staff. Sessions have been held at San Juan, Palo Seco, Aguirre, and Costa Sur power plants as well as the PREPA corporate office in Santurce. Sessions will continue over the course of the next week at Cambalache, Mayaguez, and the peakers at Yabucoa and Palo Seco. During these sessions, existing employees have been provided a company overview, supported by a team from Genera Human Resources and Operations. The feedback from employees attending these sessions indicates a positive perception of the transition as well as a desire to join Genera. At San Juan, 94% of the participants have shown interest in Genera, and at Palo Seco, 95% have shown interest. Seven hundred ninety-six (796) introduction meetings have been held on-site as skills assessment sessions. Representation from a variety of divisions has been present, including Technical and Electrical services,

Supervision, Field Operations, Control Room Operations, and Administration. After the meetings, Genera staff has been able to evaluate the outcome of interviews and assessments, placements can be determined, and we target sending out offer letters around mid-March.

- Genera has met with PREPA to discuss the existing training center and current status of employee training programs. The discussions were positive and a formal request for further information and documentation has been submitted.
- Genera has met with PIC Group, our subcontractor, who is assisting us during the mobilization phase and into initial operations with establishing our platforms and plans for personnel assessments. Progress includes Job Descriptions, Technical Self-Assessment, Onboarding Surveys which are being built into the ESP3 platform with individual profiles for employees.

### **Stakeholder Engagement**

- Genera has completed and submitted the Communications Plan as per Section 4.2(q) of the OMA. In addition, Genera has commenced the construction of a stakeholder tracker to better track engagements outcome. A formal request for information has been submitted to PREPA on February 22, 2023 requesting response to 31 total items across areas such as maintenance management, litigation, facility contracts, fuel contracts, IT/technical services, and HSSEQ.
- Genera can confirm the hiring of Ivan Baez as VP of Corporate Affairs and Government Relations who officially started on February 17, 2023.
- Ivan Baez conducted his first interview with El Nuevo Día on the first 30 days of mobilization on February 23, 2023.
- Responded to 3 additional RFI requests from the Puerto Rico House Comisión de Desarrollo Económico, Planificación, Telecomunicaciones, Alianzas Público-Privadas y Energía.
- Genera continues to make progress with outreach to the external stakeholders, as detailed in Appendix A.

### **Subcontractor Identification and Onboarding**

- To ensure compliance with the requirements outlined in the OMA, Genera has implemented a contractor evaluation and onboarding process. This process has been documented and internally shared to align and ensure compliance.

Contained within the guidance are processes for selection of subcontractors (mapped out in a decision tree – still in draft form and going through approvals), general provisions for subcontracting, key definitions, required approvals, establishment of materiality thresholds, reporting criteria, Consent Decree provisions, and required contractual language. Beyond the procedural aspect, Genera is still working on mapping out all needs for support and have initiated the process for the review of existing PREPA and LUMA documents and contracts. Approximately 15% of all provided documentation has been reviewed and validated at this point. Discussions remain ongoing in terms of determining what role/how Genera will play on any new PREPA supplier selections during the mobilization period.

- Genera began engaging local vendors and contractors to efficiently manage onboarding. We are assessing and implementing protocols to guide potential contractor and vendor diligence and approval processes. Genera has established a thorough background assessment process, developed and implemented T&Cs which align with the OMA, and shared draft procedures internally to facilitate contract compliance.

### **Information Technology**

- Progress continues toward establishing Genera’s IT environment. Email accounts have been established which included deploying security, archiving, and continuity services to serve as layers of protection. To support the IT sector, Genera has initiated contact with three local technology support service providers to obtain proposals for on-site technology support. Hardware has been received and configuration commenced.
- Multiple meetings have been held with PREPA, LUMA, P3A, and other externals to support IT/OT contracts and point-to-point processes. These discussions have included functional process mapping, establishing deliverables, and breakout planning. In conjunction with this, overview discussions around ongoing IT projections and areas of improvement were held with PREPA. Meetings with LUMA have involved OT asset inventory, lines of demarcation, assessment planning, and aligning on support and services.
- LUMA afforded the opportunity to Genera to visit their Network Operations Center (NOC) where points such as monitoring of operations, technologies utilized, and interconnectivity were discussed.

- Lastly, an additional thirteen (13) formal requests for information have been submitted focused on asset lists, projects overview, cybersecurity initiatives, and organizational elements.

### **Inventory**

- Conference calls have been held with counterparts at PREPA to discuss current inventory strategies and levels. Genera has been collaborating with external partners as well as PREPA to finalize the assessment plan. Inventory-related actions are expected to commence within Puerto Rico starting the week of 27 February.

### **Review of Plans and Procedures**

- Formal review of various environmental management plans (spill prevention controls and countermeasures, wastewater management, facility response plans, and emergency response plans) have commenced and are over 50% complete based on what has been provided thus far. Discussions have been held around operating procedures, safety procedures, fuel quality analysis procedures, and training procedures which has resulted in additional formal requests for information to allow for more thorough reviews.

### **Insurance**

- Efforts remain ongoing, with progress being made towards assessing the current risk profiles and ensuring policies are placed as per the requirements of the Operating and Maintenance Agreement. Genera has received all workers compensation exposures which will be utilized to better determine Workers Compensation policy needs.
- Further, LUMA has provided the remaining requested policies and loss runs. Genera held a meeting with LUMA's Risk Management Director on 22 February to continue to the assessment and placement efforts. Underwriting data remains outstanding to be provided to Genera, specifically as it relates to property policy renewal.
- Existing property policies are set to expire on May 21, 2023, and the process to take the policy renewals to market has commenced, with Genera taking part in the

processes. Genera has engaged Marsh PR as the broker to aid in the placement of the various policies. Marsh PR has confirmed they have amassed their team and are committed to ensuring execution of the effort in alignment with section 10.1 of the OMA.

### **Finance, Procurement & Accounting**

- Genera is making progress on the Invoice Review and Approval Procedures Manual per Section 4.2(r) of the OMA. To finalize the manual, we are working to complete the process maps and documentation in the coming days. We have had working sessions for processes performed by Luma already and are finalizing sessions for the processes performed by PREPA and Ankura). The process maps will give us the information needed to make the decision on our go-forward model.
- Received both current procurement manuals from PREPA and LUMA and we are working on the “as is” review process.
- Completed 3 Supply chain assessments with PREPA from a total of 4 planned before we land at PR for a formal validation on the current state. (Baseline for the Genera Procurement Manual)
- Alignment meetings for P2P and Inventory counts to be scheduled with Finance in preparation for next steps.

### **Federal Funding**

- Genera has met with COR3 on two occasions to discuss and understand the breadth of the scope of the federally funded projects, their eligibility and status.





**V. Expenditures Update**

Note to report: Genera recognizes the requirements to report on mobilization budget analysis as outlined in Appendix IX Section V(B)(3) Accounting and Reporting and will provide monthly reports as required. Below is the initial budget and analysis to date.

ID #	Budget Category	Budget		Paid to Date		Remaining (Unpaid)		Invoiced	
		Orig Budget	Forecast	Amount	%	Committed (via PO)	Uncomm. (no PO)	Invoiced to Date	To Be Inv. This Period
100	Communications	250,000	237,000	-	0.0%	76,259	160,741	-	-
200	Facilities	200,000	200,000	-	0.0%	-	200,000	-	-
300	Finance	360,000	360,000	-	0.0%	360,000	-	-	-
400	HSSEQ	790,000	790,000	-	0.0%	197,000	593,000	-	-
500	Human Resources	1,420,000	1,563,753	-	0.0%	61,559	1,502,194	-	-
600	Insurance	50,000	45,000	-	0.0%	-	45,000	-	-
700	IT	900,000	838,000	-	0.0%	-	838,000	-	-
800	Legal & Compliance	3,600,000	3,600,000	-	0.0%	-	3,600,000	-	-
900	Power	6,100,000	6,100,000	-	0.0%	4,022,880	2,077,120	-	-
1000	Procurement	530,000	521,080	-	0.0%	400,000	121,080	-	-
1100	T&E	300,000	291,500	-	0.0%	-	291,500	-	-
1200	Project Management Fees	500,000	453,667	-	0.0%	-	453,667	-	-
<b>Total</b>		<b>15,000,000</b>	<b>15,000,000</b>	<b>-</b>	<b>0.0%</b>	<b>5,117,698</b>	<b>9,882,302</b>	<b>-</b>	<b>-</b>



**VI. Submissions Update**

**Transmittals – February 11, 2023 – February 25, 2023**

Name	Description	Sending Org.	Receiving Org.	Genera Dept.	Created
P3A-GENERA-00001	Facility Contracts	P3A	PREPA	PM	2/10/2023
GENERA-P3A-00004	Request for Bi-Monthly Meeting	Genera	P3A	PM	2/13/2023
GENERA-P3A-00005	Motion to Seek Admin. Expense Treatment	Genera	P3A	PM	2/13/2023
GENERA-P3A-00006	Periodic Report #1	Genera	P3A	PM	2/13/2023
GENERA-PREPA-00009	Evidence of Contract Filing Not Received	Genera	PREPA	PM	2/13/2023
GENERA-PREPA-00010	Request for Bi-Monthly Meeting	Genera	PREPA	PM	2/13/2023
GENERA-PREPA-00011	Request for Full Access	Genera	PREPA	PM	2/13/2023
P3A-GENERA-00002	Office of the Comptroller	P3A	Genera	PM	2/15/2023
GENERA-PREPA-00012	Request for Legal Services Agreement	Genera	PREPA	PM	2/16/2023
GENERA-PREPA-00013	Request for Participation in Demarcation Meetings	Genera	PREPA	PM	2/17/2023
P3A-GENERA-00003	Response to Genera’s Alignment Request	P3A	Genera	PM	2/17/2023
GENERA-P3A-00007	Communications Plan	Genera	P3A	PM	2/22/2023
GENERA-PREPA-00014	Request for RFP Update Meeting	Genera	PREPA	PM	2/22/2023
GENERA-PREPA-00015	General Request for Information	Genera	PREPA	PM	2/22/2023
GENERA-PREPA-00016	Request for Participation in Tranches 1-3	Genera	PREPA/PREB	PM	2/23/2023
PREPA-GENERA-00001	Title III Court Motion for Administrative Expenses	PREPA	Genera	PM	2/23/2023

## VII. Areas of Concern / Items of Interest

Note to report: Genera recognizes the requirements to advise on items of interest and potential areas for concern as outlined in Section 4.2(i) Periodic Reports. Below is a list of items to be discussed and addressed:

- 1) Genera is currently documenting the transition challenges of back-office support functions (including systems implications) by continuing to hold meetings with PREPA and Ankura to finalize the process maps. Genera is also working cross-functionally to ensure information gathered aligns with the accounting/finance impacts of taking over support services.

## Appendixes

## A. Mobilization Stakeholder Engagement



Mobilization Stakeholder Engagement		In Contact	Initial Briefing	Regular Dialogue	Notes
<b>Federal Agencies</b>					
1	FEMA	Yes	Yes	Yes	Multiple Meetings
2	DOE	Yes	No	No	Established contact, scheduling meeting
3	US Army Corps	Yes	Yes	Yes	Multiple Meetings
4	EPA	Yes	No	No	Initial outreach
5	White House	No	No	No	
6	OSHA	No	No	No	
7	DOJ	No	No	No	
8	FOMB	Yes	Yes	Yes	
<b>Puerto Rico Agencies / Energy Stakeholders</b>					
9	P3A	Yes	Yes	Yes	Weekly Coordination Meetings
10	PREPA	Yes	Yes	Yes	Daily Meetings, Bi-Weekly Coordination Meetings
11	LUMA	Yes	Yes	Yes	Daily Meetings, Weekly Coordination Meetings
12	AAFAF	Yes	Yes	Yes	Regular Meetings
13	COR3	Yes	Yes	Yes	Weekly Meetings
14	PREB	Yes	No	No	Outreach Began, Scheduling Meetings
15	PRDRNA	No	No	No	
<b>US Congress</b>					
16	House Committee on Natural Resources	Yes	No	No	Reached out, haven't scheduled meetings yet
17	Senate Committee for Energy a& Natural Resources	Yes	No	No	Met with individual Senators, not committee staff
18	Rep. Jennifer González Colón	Yes	No	Yes	Scheduling first briefing
<b>PR Legislature</b>					
19	Senate Majority Leader	Yes	No	No	Initial conversations
20	Senate Minority Leader	Yes	No	No	Initial conversations
21	House Majority Leader	Yes	No	No	Initial conversations
22	House Minority Leader	Yes	No	No	Initial conversations
23	Senate Comision	Yes	No	No	Initial contact
24	House Comisión de Alianzas Público Privadas y Energía	Yes	Yes	Yes	Public Hearing 2/9; Responded to multiple RFI's
<b>Puerto Rico Municipalities</b>					
25	Association of Mayors	Yes	No	No	Scheduling first briefing
26	Federation of Mayors	Yes	No	No	Scheduling first briefing
27	Plant Local Mayors	0 of 12	0 of 12	0 of 12	
<b>Private Sector Organizations</b>					
28	PRMA	Yes	No	No	Briefing Schedule 3/4
29	PR Chamber of Commerce	Yes	Yes	Yes	Participated in Chamber Energy Event
30	PR Retailers Association	Yes	No	No	
31	PR Hotel Association	Yes	No	No	
32	Association of Restaurants	Yes	No	No	
33	Made in PR Association	Yes	No	No	
34	PR Small Business Association	Yes	No	No	
35	PR Food Wholesalers and Supermakets Association	Yes	No	No	
36	PR Coalition for Food Security	Yes	No	No	
37	National Hispanic Caucus of State Legislators	Yes	No	No	
38	PR Energy System Recovery & Resilience Advisory Group	Yes	No	No	
39	South East & Caribbean Disaster Resilience Partnership	Yes	No	No	
40	PR Bussiness Emergency Operation Center	Yes	No	No	



**B. Handover Checklist Update**



SITE: General Compliation (all sites)

PRELIMINARY CHECKLIST ITEM	Required for O&M Services? (Y / N)	Start Date	Due Date	Progress (% Complete)	Completed? (Y / N)	Amt Spent (US\$)	Status Notes
<b>1 People Management (Applicable to Critical Positions Only)</b>							
Staffing completed	N	2/13/2023	4/30/2023	20%	N		Genera Orientation sessions have been held at San Juan, Costa Sur, Cambalache, Mayaguez, and Santurce. Interviews and skills assessments have commenced. Efforts will continue with offers targeted to be made for critical positons around mid-March.
Orientation to Genera PR completed (incl training on role & responsibility)	Y		4/30/2023		N		Will commence after offer accepted
Skill Assessment Completed	Y		3/30/2023		N		Taking place over the next several weeks
Training and Development Plan created	Y	2/15/2023	3/17/2023	25%	N		Information request submitted to PREPA on 2/22/23 for further information on existing training programs
Training program implemented	Y	3/20/2023	4/30/2023		N		Program will be developed and implemented after line item 4 is complete
Site and department procedures have been implemented, including applicable Emergency Response Plans, Fuel Supply Management, and applicable O&M procedures	Y	2/1/2023		10%	N		Genera is coordinating with PREPA on this checklist item through various workstreams.
<b>8 Procedures</b>							
New Procedures fully developed and trained	Y		4/30/2023		N		Initial discussions have taken place with PREPA and an information request has been submitted.
All new personnel have completed applicable training program	Y		4/30/3023		N		Prerequisite items to be addressed first
<b>11 Contracts</b>							
Review of applicable contracts	N	2/15/2023	3/17/2023	15%	N		Following requests for information, contracts have been provided by PREPA to Genera for review. There are some contracts which PREPA still needs to provide.
Determinations of contracts - Retention of existing contracts - New contracts entered	N	2/15/2023	4/30/2023	10%	N		Taking place in parallel with the review where possible
Contractor partners in place to support O&M needs	Y		4/30/2023		N		



SITE: General Compliance (all sites)

PRELIMINARY CHECKLIST ITEM	Required for O&M Services? (Y / N)	Start Date	Due Date	Progress (% Complete)	Completed? (Y / N)	Amt Spent (US\$)	Status Notes
<b>15 Project and Workload Management</b>							
16 Work Management System implemented	Y		4/30/2023		N		Work relating to this section of the handover checklist will commence at a later date after prerequisite work is completed (hiring of positions, finalization of procedures)
17 Project teams in place with training items 4+ weeks out	N		4/30/2023		N		
18 Work plans for first 4 weeks identified	Y		4/30/2023		N		
19 Introductory meeting with Plant Technical Services lead and the Pod Manager supporting the specific plant	Y		4/30/2023		N		
20 Plant Manager and Pod Manager agreed on formed project teams	Y		4/30/2023		N		
<b>21 HSSE and Regulatory Compliance</b>							
22 Permit and current status of compliance reviewed with PREPA functional area leads (with HSSE Support)	Y	2/8/2023	3/17/2023	20%	N		Over 5 working sessions have been held between Genera and PREPA to review permits and current status. In addition to the actual permits and plans as well as legacy reports, 10 summary spreadsheets have been developed and collaborated on thus far which indicate current status within each key area (air, water, waste, SPCG)
23 Risk assessments reviewed with PREPA functional area leads and updated where necessary	Y	2/22/2023	4/30/2023	5%	N		Held initial session with PREPA on 2/22/23.
24 Safety and HazMat Manual implemented and trained on	Y	2/8/2023	3/31/2023	20%	N		Commenced the drafting of the manual. Have requested and partially received (~60%) of additional documentation and information from PREPA.
25 Permits reviewed and deconstructed with HSSE support	Y	2/8/2023	4/30/2023	10%	N		Review and deconstruction has commenced. Additional requests for information submitted to PREPA on 2/22/2023 for copies of permits not yet received. More than 5 working sessions between PREPA and Genera have taken place to aid in progressing this line item.

**SITE: General Compliance (all sites)**

PRELIMINARY CHECKLIST ITEM	Required for O&M Services? (Y / N)	Start Date	Due Date	Progress (% Complete)	Completed? (Y / N)	Amt Spent (US\$)	Status Notes
26 Authorized Operator/Signatory changed to Genera PR on applicable permits	N	2/23/2023	4/30/2023	5%	N		P3A has sent notice to PREPA to confirm list of existing permits and plans. PREPA has to confirm or edit list and resubmit by 3/8/2023. Following receipt of this, efforts to notify the applicable agencies appointing/recognizing Genera PR as the operator of record and allowing signator delegation (where needed) will commence. PREPA will remain the "owner" of all permits. Genera will just be a party to the permit.
27 For sites under jurisdiction of the Consent Decree, EPA has authorized Genera as Operator	Y	2/7/2023	4/30/2023	5%	N		Introductory call held with EPA on 2/7/2023.
<b>IT</b>							
28 Transition of FCC licenses	Y		4/30/2023	10%	N		Initial discussions have taken place with PREPA and an information request has been submitted.
29 Established DOA from PREPA to Genera PR to reassign account accesses, where applicable	Y		4/30/2023	10%	N		Currently evaluating not only with PREPA but LUMA as well to ensure there are no issues of entanglement, verify who is responsible, and who manages the various accounts. Meetings have been held with PREPA and LUMA and additional requests for information issued 2/22/23 requesting further supporting documentation and detail.
<b>LUMA Coordination</b>							
30 Communication established with LUMA dispatch (agree to initial agreed operating procedures set in the Gridco-Genco Operating Agreement)	Y		4/30/2023		N		Work relating to this section of the handover checklist will commence at a later date after prerequisite work is completed
31 Jointly, with LUMA, identify the requirements and procedures for the annual performance and heat rate testing for each unit	Y		4/30/2023		N		
32 Align on dispatch schedule for first 4 weeks and ready to support	Y		4/30/2023		N		





SITE: General Compliance (all sites)

PRELIMINARY CHECKLIST ITEM	Required for O&M Services? (Y / N)	Start Date	Due Date	Progress (% Complete)	Completed? (Y / N)	Amt Spent (US\$)	Status Notes
<b>35 Fuel Management</b>							
36 Fuel inventory adequate for dispatch schedule	Y		4/30/2023		N		Inventories to be verified at a later date
37 Fuel delivery schedule adequate to match long-term dispatch projection	Y		4/30/2023		N		Delivery schedule will be verified at a later date
<b>38 Spare Parts</b>							
39 Site team and Genera PR have reviewed current inventory	Y		3/31/2023		N		General discussions have commenced and requests for information submitted to PREPA - most recently on 2/22/2023. External support has been identified and onboarding process commenced. Internal support has been identified
40 Inventory is understood and support continued operations	Y		4/7/2023		N		
41 Identify all necessary consumables, spare parts, and capital spares for first 12 months of operations (with communication of this to PREPA and PREB)	Y		4/7/2023		N		
<b>42 Relations and Communications</b>							
43 Establish communication with potential site-level union officials	Y		4/30/2023		N		Strategy is under internal review.
<b>44 Finalization</b>							
45 Genera PR and PREPA Functional Area Leaders have agreed handover is ready	Y		4/30/2023		N		This line item will only be available for completion once all other required line items of this checklist are complete