



# Periodic Update #4

March 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 Puerto Rico Public-Private Partnership Authority (P3A) the Periodic Report #4 which includes updates on the Mobilization Plan and provides updates on the Handover Checklist per Section 4.2(b) *Handover Checklist* of the OMA. Information regarding the Handover Checklist and Media Communications is in the appendices.

## II. Executive Summary

The Periodic Report #4 for March 25, 2023, includes Genera's progress through the mobilization phase. Genera will commence extending offer letters to critical position employees by the second week of April now that the VTP has been approved. Genera has met with plant managers for phase 1 of the technical assessment ahead of the start of the technical assessments for critical employees the coming week. Genera has kept engaging the media and all the Genera transition team functional areas continue to engage their respective counterparts in PREPA, LUMA Energy LLC (LUMA), Central Office for Recovery, Reconstruction and Resiliency (COR3) & P3A.

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

#### **Completed Mobilization Period OMA Obligations**

This section shows the OMA obligations completed in the past two weeks only, however no contract obligations milestones have occurred since Periodic Report #3. All previous weeks' completed OMA obligations have been removed to minimize the length of the report.

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

#### **Personnel and Training**

- Technical self-evaluation of critical employees through the EPS3 system is concluding as the in person meetings are scheduled for critical employees.
- Genera and PIC have met with plant managers for discussions and coordination for the technical assessments for the critical positions. The technical assessments in person meetings will commence next week.

#### **Stakeholder Engagement**

- Trade Organizations: Genera introductions and presentations to PR Hotel & Tourism Association, Society of Military Engineers, Made in PR Association, PR Restaurants Association, PR Retailers Association.
- Government: Meetings with US Secretary of Department of Energy, FEMA Power Stabilization Task Force, Senate Majority Leader, Mayor of San Juan, Director of Ports Authority. Engaged with LUMA, P3A and PREPA in FY2024 budget planning process.
- Operations: Started plant tours and technical training for corporate affairs team.
- Media/Corporate Communications: Manage media inquiries regarding transition process from Vocero, El Nuevo Día & Politico. Started development of corporate website. Developed social media posts to support transition process of plant employees from PREPA to Genera PR.

## Information Technology

- Genera received three proposals for the Application Separation Support and System Integration RFP that was issued on 3/15/2022. Bids are under review and clarifications are being sought with each of the respondents.
- Genera initiated separation strategy discussions with vendors for the critical OT systems and the Enterprise Asset Management (EAM) systems.
- Genera has a Cybersecurity and Identity Asset Management (IAM) with LUMA to collect key details on frameworks, standards, policies, and access management information. The meeting is scheduled for Friday, 3/24.
- Genera and PREPA collectively discussed the Federal Communications Commission (FCC) licensing and reviewed the entire list of active and expired permits. Genera used this information to develop a prioritization of critical licenses considering guidance provided by PREPA. The strategy is to retain active licenses and permits with PREPA and note Genera as the operator of the licenses systems.
- Genera reviewed a complete listing of Shared Services contracts provided by LUMA on Thursday, 3/16. Internally Genera developed a prioritization and transition strategy for the contracts covered under shared services and has participated in working group sessions hosted by Ankura.
- Genera performed a review of accessible infrastructure and networking documentation. A framework for maturity and lifecycle assessment has been developed.

## Inventory

- Genera has been coordinating with PREPAs Plant Managers and Maintenance teams on recommendations for spares for the Legacy Fleet
- Sargent & Lundy has been providing assistance to Genera and has provided recommendations on parts from previous condition assessments.
- Genera, PIC and Sargent & Lundy have been in review of the O&M Manuals, which are currently located in LUMA's facility, known as the "Vault".

## Finance, Procurement & Accounting

- Sub function process flows to be finalized and circulated to Genera management, follow-up meetings conducted with Luma, accounting and AP team.
- Working session with Ankura and Luma to discuss transition from existing shared services model focusing on system separation to accurately track, review and report Genco results, separate from Holdco. Genera has requested additional information on Oracle EBS and Asset Suite blueprinting to be able to understand system dependencies.
- LUMA indicated on 3/22 that they cannot provide any system admin support to separate company code 1 in Oracle EBS. Therefore, Genco, Holdco, and Hydro transactions will be co-mingled in one legal entity, sharing the same security access. Process controls will need to be established to properly record, review and report on the components. Work streams will include:
  - Cash management, reconciliation, and reporting
  - Integration with asset suite and management of PO's
  - P&L separation by cost center for budget to actual reporting
  - Update to Oracle "canned reports" to be able to properly report on the component pieces.
  - User access/profile security
- Continued focus on FY2024 budget, including:
  - Further development of the internal model for Genco operating budgets.
  - Meeting with Luma team to discuss the need for consistency in deliverables and opportunities to improve the process compared to last year.
  - Meeting with Ankura team to review inputs from FY2023 budget in order to properly map the bottom-up build that we are working on for FY2024
  - Open Points:
    - Hydroco/Genco allocation from PREPA
    - Outcome of PROMOD model for fuel cost assumption from LUMA
    - Outcome of insurance roadshow and costs from LUMA
- GSC has submitted the initial draft of the procurement manual to P3 and FTI for review and consideration.
- GSC requested historical spend reports for the past 2 years from LUMA, since PREPA has system limitations for accessing ad-hoc reports.



## **Environmental Permitting/ Safety Programs**

- Genera PR continues to work directly with counterparts from PREPA to obtain and evaluate critical documentation associated with permits and operating plans. All Title V and PSD air permits have been reviewed and deconstructed. All NPDES Water Permits have been reviewed and deconstructed. Through these efforts, Genera PR is in the process of building out an automated compliance calendar which will allow for easy tracking of all compliance requirements and actions taken to comply. This will allow for better allocation of resources, enhanced budgeting control, and assurance of compliance being in place.
- Genera PR has submitted a working draft of the Worker Health and Safety and Hazardous Material Management Manual. This is a deliverable under the OMA due at the end of April, however to ensure alignment on level of detail and content, a pre-review has been requested.
- Progress continues on the Emergency Response Plan, wherein multiple working sessions have been held with PREPA and LUMA with more sessions to come, including some with external support agencies such as law enforcement, fire protection, and emergency medical services. Genera PR is on track to submit the plan as per the OMA and may seek a pre-review like that of the Worker Health and Safety and Hazardous Material Management Manual.



**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 budget and analysis to date.

**Genera - Mobilization Phase | Weekly Finance Summary**

ID #	Budget Category	Budget		Paid to Date		Remaining (Unpaid)	
		Orig Budget	Forecast	Actual Paid	%	Committed (via PO)	Uncomm. (no PO)
100	Communications	250,000	244,481	–	0.0%	170,975	73,506
200	Facilities	200,000	200,000	–	0.0%	–	200,000
300	Finance	360,000	360,000	–	0.0%	360,000	–
400	HSSEQ	790,000	822,537	–	0.0%	639,611	182,926
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%	328,500	509,500
800	Legal & Compliance	3,600,000	3,600,000	–	0.0%	192,021	3,407,979
900	Power	6,100,000	6,100,000	734,366	12.0%	5,243,361	122,273
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	413,649	–	0.0%	–	413,649
<b>Total</b>		<b>15,000,000</b>	<b>15,000,000</b>	<b>734,366</b>	<b>4.9%</b>	<b>7,396,027</b>	<b>6,869,607</b>





**VI. Submissions Update**

**Transmittals – March 11, 2023 – March 25, 2023**

Name	Description	Sending Org.	Receiving Org.	Genera Dept.	Created
P3A-GENERA-00004	Addendum No. 1 to Request for Qualifications	P3A	Genera	PM	3/10/2023
GENERA-P3A-00010	Mobilization Period Invoice Evaluation Manual Review	Genera	P3A	PM	3/13/2023
GENERA-PREPA-00019	Requests for Fuels Forecast and Supporting Documentation	Genera	PREPA	PM	3/15/2023
PREPA-GENERA-00003	Approval of Fuel Contracts During Mobilization Period	PREPA	Genera	PM	3/16/2023
GENERA-PREPA-00020	Genera Response to Fuel Contracts Letter from PREPA dated March 16, 2023	Genera	PREPA	PM	3/20/2023
GENERA-PREPA-00021	General Request for Information #4	Genera	PREPA	PM	3/20/2023



**VII. Areas of Concern / Items of Interest**

Genera recognizes the requirements to advise on items of interest and potential areas for concern as outlined in Section 4.2(i) Periodic Reports. There are no particular areas of concern for this report.

## Appendixes

## A. Mobilization Stakeholder Engagement

	Mobilization Stakeholder Engagement	In Contact	Initial Briefing	Regular Dialogue	Notes
1	<b>Federal Agencies</b>				
2	FEMA	Yes	Yes	Yes	Multiple Meetings
3	DOE	Yes	Yes	Yes	Met with DOE Secretary, engaing in PR100
4	US Army Corps	Yes	Yes	Yes	Multiple Meetings
5	EPA	Yes	No	No	Initial outreach
6	White House	Yes	No	No	
7	OSHA	No	No	No	
8	DOJ	No	No	No	
9	FOMB	Yes	Yes	Yes	
10	<b>Puerto Rico Agencies / Energy Stakeholders</b>				
11	P3A	Yes	Yes	Yes	Weekly Coordination Meetings
12	Governor's Chief of Staff	Yes	Yes	Yes	Alignment meeting
13	Governor's Energy Affairs Office Director	Yes	Yes	Yes	Alignment meeting
14	PR Ports Authority	Yes	Yes	Yes	Meeting and briefing with Director
15	PREPA	Yes	Yes	Yes	Daily Meetings, Bi-Weekly Coordination Meetings
16	LUMA	Yes	Yes	Yes	Daily Meetings, Weekly Coordination Meetings
17	AAFAF	Yes	Yes	Yes	Regular Meetings
18	COR3	Yes	Yes	Yes	Weekly Meetings
19	PREB	Yes	No	No	Outreach Began, Scheduling Meetings
20	PRDRNA	No	No	No	Meeting to be scheduled
21	<b>US Congress</b>				
22	House Committee on Natural Resources	Yes	No	No	Reached out, haven't scheduled meetings yet
23	PRAFAA	Yes	No	No	Reached out, haven't scheduled meetings yet
24	Senate Committee for Energy a& Natural Resources	Yes	Yes	No	Met with individual Senators, not committee staff
25	Rep. Jennifer González Colón	Yes	No	Yes	Scheduling first briefing
26	<b>PR Legislature</b>				
27	President of the House	Yes	No	No	Initial conversations
28	President of the Senate	Yes	No	No	Initial conversations
29	House Majority Leader	Yes	No	No	Initial conversations
30	Senate Majority Leader	Yes	Yes	No	Initial meeting/ briefing with Sen. Javier Aponte Dalmau
31	House Minority Leader	Yes	No	No	Initial conversations
32	Senate Minority Leader	Yes	Yes	No	Initial conversations/Advise of public hearings Mid April
33	Senate Energy Commission	Yes	No	No	Initial contact
34	House Energy Commission	Yes	Yes	Yes	Public Hearing 2/9; Responded to multiple RFI's
35	House Joint Commission Public Private Alliances	Yes	Yes	Yes	Scheduling first briefing and plant tours
36	<b>Puerto Rico Municipalities</b>				
37	Association of Mayors	Yes	No	No	Scheduling first briefing
38	Federation of Mayors	Yes	No	No	Scheduling first briefing
39	Mayor of San Juan	Yes	Yes	Yes	Meeting and briefing with Mayor Miguel Romero
40	Plant Local Mayors	1 of 12	1of 12	0 of 12	
41	<b>Private Sector Organizations</b>				
42	PR Manufacturers Association	Yes	Yes	Yes	Official Genera Presentation
43	PR Pharmaceutical Industry Association (PIA)	Yes	No	No	
44	PR Colegio de Ingenieros y Agrimensores	No	No	No	
45	PR Colegio de Contadores Publicos Autorizados	Yes	No	No	
46	PR Colegio de Peritos Electricistas	No	No	No	
47	PR Chamber of Commerce	Yes	Yes	Yes	Scheduled presentation on March 28
48	PR Navieros Association	Yes	Yes	No	Presentation on March 2
49	PR Retailers Association	Yes	Yes	No	Presentation on March 23
50	PR Bankers Association	Yes	No	No	Initial contact and scheduling presentation to the board
51	PR Hotels & Tourism Association	Yes	Yes	No	Presentation on March 16
52	Colegio de Ingenieros y Agrimesores	Yes	No	No	
53	PR Automobile Industry Association	Yes	No	No	
54	PR Hospital Association	Yes	No	No	
55	PR Farm Bureau	Yes	No	No	
56	PR Construction Materials Association	Yes	No	No	Scheduled presentation on March 29
57	Justicia Energetica	yes	No	No	Scheduled presentation on March 28
58	PR Restaurants Association	Yes	Yes	Yes	Presentation on March 22
59	Made in PR Association	Yes	No	No	Initial team contact at their montly event
60	PR Small Business Association	Yes	No	No	
61	PR Builders Association	Yes	No	No	Scheduled presentation on May 3
62	PR Association of General Contractors (AGC)	Yes	No	No	
63	PR Food Wholesalers and Supermakets Association	Yes	No	No	
64	PR Coalition for Food Security	Yes	No	No	
65	National Hispanic Caucus of State Legislators	Yes	No	No	Scheduled presentation for spring meeting
66	PR Energy System Recovery & Resilience Advisory Group	Yes	No	No	
67	South East & Caribbean Disaster Resilience Partnership	Yes	No	No	
68	BEOC (PR Business Emergency Operations Center	Yes	No	No	
69	University of PR (Mayaguez Engineering School)	Yes	No	No	
70	Ana G. Mendez University (Engineering School)	No	No	No	
71	Politechnical Universty (Engineering School)	Yes	No	No	
72	Invest PR	Yes	No	No	Scheduled presentation for March 31
73	PR Bussiness Emergency Operation Center	Yes	No	No	



## B. Handover Checklist Update



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>1 People Management (Applicable to Critical Positions Only)</b>							
Staffing completed	N	2/13/2023	4/30/2023	25%	N		On-site interviews and skills assessment sessions underway.
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	10%	N		ESP3 accounts created and invitation email to be sent to critical position employees no later than 3/10/23 for their technical self assesment.
Training and Development Plan created	Y	2/15/2023	4/3/2023	50%	N		Training plans under development, ESP3 accounts for employee self assesment, and training program deployment.
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		15%	N		Genera continues 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	25%	N		Following requests for information, contracts have been provided by PREPA to Genera for review. Review continues to progress.
Determinations of contracts - Retention of existing contracts - New contracts entered	N	2/15/2023	4/30/2023	15%	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
15	<b>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		
21	<b>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	4/5/2023	60%	N		Working sessions continue between Genera and PREPA to review permits, current status and compliance.
23	Risk assessments reviewed with PREPA functional area leads and updated where necessary	Y	2/22/2023	4/30/2023	25%	N		Working session with PREPA continue.
24	Safety and HazMat Manual implemented and trained on	Y	2/8/2023	4/30/2023	60%	N		Working draft of the Safety and HazMat Manual provided to administrator for initial review and comment.
25	Permits reviewed and deconstructed with HSSE support	Y	2/8/2023	4/30/2023	20%	N		Review and deconstruction continues.
26	Authorized Operator/Signatory changed to Genera PR on applicable permits	N	2/23/2023	4/30/2023	10%	N		P3A 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. P3A has yet to confirm receipt of response from PREPA however Genera PR is prepared to aid in the sending of the letters to agencies to progress this deliverable.
27	For sites under jurisdiction of the Consent Decree, EPA has authorized Genera as Operator	Y	2/7/2023	4/30/2023	10%	N		Coordination efforts with PREPA are picking up and structured approach to transition has been discussed
28	<b>IT</b>							
29	Transition of FCC licenses	Y		4/30/2023	25%	N		List of all FCC licenses has been obtained. Working on plan to transition.
30	Established DOA from PREPA to Genera PR to reassign account accesses, where applicable	Y		4/30/2023	15%	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 requesting further supporting documentation and detail that has not yet been received.





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>31 LUMA Coordination</b>							
32	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
33	Jointly, with LUMA, identify the requirements and procedures for the annual performance and heat rate testing for each unit	Y		4/30/2023		N	
34	Align on dispatch schedule for first 4 weeks and ready to support	Y		4/30/2023		N	
<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	
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