



GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority
Governing Board

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RESOLUTION 4704 HOGAN LOVELLS, LLP

- WHEREAS:** The Puerto Rico Electric Power Authority (PREPA) is a public corporation and an instrumentality of the Government of Puerto Rico created by Act 83 of May 2, 1941, as amended (Act 83). PREPA was created to provide electrical energy in a reliable way, contributing to the general welfare and sustainable future of the people of Puerto Rico, maximizing benefits and minimizing social, environmental and economic impacts. In addition, PREPA provides a service based on affordable, fair, reasonable and non-discriminatory cost that is consistent with environmental protection, non-profit, focused on citizen participation and its clients.
- WHEREAS:** Act 83 authorizes PREPA to grant contracts and formalize all the instruments that are necessary or convenient in the exercise of any of its powers.
- WHEREAS:** Section 15(1)(a) of Act 83 states that all purchases made and contracts for supplies or services, except professional services, entered into by PREPA, including capital construction contracts, shall follow a bid process.
- WHEREAS:** According to Section 15(2)(d) of Act 83, a competitive bidding process shall not be necessary, when professional or expert services or work are required and PREPA deems it in the best interest of good administration for such works or services to be contracted without said process.
- WHEREAS:** On August 17, 2017, PREPA and Hogan Lovells US, LLP (the Consultant), signed Contract No. 2018-P00015. This Contract was in effect until June 30, 2018, for a maximum amount of up to \$900,000. This Contract has been amended two times, and is effective until June 30, 2019, with a maximum amount of \$1,500,000.
- WHEREAS:** Eng. Efran Paredes-Maisonet, PREPA's Planning and Environmental Director, recommends a professional services contract with a maximum amount of \$2,500,000, for Fiscal Year 2019-2020.



PO Box 364267 San Juan, Puerto Rico 00936-4267

WHEREAS: PREPA has engaged, and continues to engage, the Consultant to provide the services of legal support, advise and representation to PREPA for all compliance activities required, as PREPA works to reconfigure its fleet of oil-fired power units and charts a course for its future (the Services). As part of the Services, the Consultant agrees to negotiate with the United States Environmental Protection Agency ("EPA") represented by the United States Department of Justice (DOJ) regarding the terms of a federal, civil, judicial consent decree that provides PREPA with the operational flexibility and time it needs to both secure its financial future and achieve full compliance with the federal Clean Air act. In addition, as part of the Services, the Consultant will work at PREPA's sole direction with the Department of Energy, Federal Energy Regulatory Commission and other entities regarding related issues.

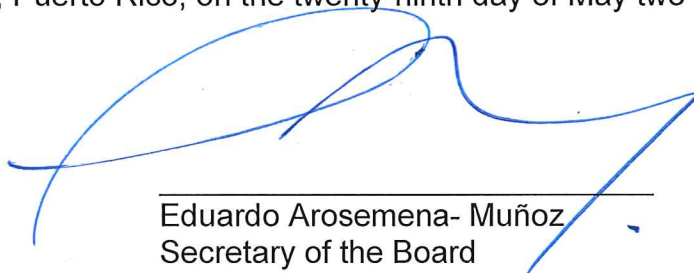
WHEREAS: On May 2, 2019, the Finance Directorate certified the availability of funds in the budget for Fiscal Year 2019-2020, for this Contract.

WHEREAS: PREPA's General Counsel evaluated the terms and conditions of the Contract and has no objection to its execution, subject to the approval of PREPA's Governing Board.

THEREFORE: In accordance with Act 83, PREPA's Governing Board resolves to:

1. Authorize the Chief Executive Officer to execute a Professional Services Contract with Hogan Lovells US, LLP, for a maximum amount of \$2,500,000, for Fiscal Year 2019-2020.
2. The General Counsel will review the terms and conditions of the contract to ensure that they meet the legal requirements regarding government contracting.

Approved in San Juan, Puerto Rico, on the twenty-ninth day of May two thousand nineteen.



Eduardo Arosemena- Muñoz
Secretary of the Board