



## GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority  
Governing Board

### RESOLUTION 4802 MUTUAL AID AGREEMENT – NEW YORK POWER AUTHORITY (NYPA)

- 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:** Act 83, in its Section 5, Powers and Responsibilities, subsection (f), states that one of PREPA's responsibilities is to enter into contracts and execute any instruments that are necessary or convenient in the exercise of any of its powers. Also, subsection (y) allows PREPA to take any actions or measures that are necessary or convenient to exercise the powers granted thereto under this Act or by any other law.
- WHEREAS:** Also, Section 6 of Act 83, Duties and Responsibilities, recognizes that PREPA has the responsibility to ensure the continuity and reliability of the electric power service.
- WHEREAS:** After Hurricane María caused widespread devastation to Puerto Rico, and destroyed or substantially damaged vast portions of Puerto Rico's power grid ("Grid"), the New York Power Authority (NYPA) led and coordinated the deployment of a team of qualified utility personnel, equipment and supplies from the State of New York, to assist and help Puerto Rico restore the electric service under the Emergency Management Assistance Act, through the establishment of a Mutual Aid Agreement.



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WHEREAS: NYPA is America's largest state power organization. It owns and operates numerous generating facilities and more than 1,400 circuit-miles of transmission lines throughout the State of New York, and provides power, transmission and energy-related services to a diverse array of customers including government entities, large and small businesses, community-owned electric systems and rural electric cooperatives throughout the state.

WHEREAS: PREPA has been drawing upon NYPA's experience in grid infrastructure management and renewable generation, as well as in a number of matters relating to the Grid, such as the design, construction, management, operation, maintenance repair, modernization and hardening of the Grid, installation of renewable/solar generation infrastructure, establishment of a workforce development program to address, among other things, training and maintaining an adequate utility workforce with expertise in the renewable infrastructure, and options for restructuring PREPA (collectively, "Grid Modernization").

WHEREAS: The Project Management and Innovation Office (PMO) requests the approval of a Mutual Aid Agreement (Agreement) between PREPA and NYPA, to continue improving the Grid, which includes the following main work streams:

- Project Formulation for Grid Modernization, in order to submit proper documentation to the Federal Agencies for projects funding, directly supporting the Disaster Funding Management Office (DFMO);
- Advice related to current fleet urgent maintenance repair needed to operate the system while funds to reconstruct are approved, directly supporting the Generation Directorate;
- Overall Project Management Strategy Evaluation and collaboration on new strategy implementation, directly supporting the PMO;
- Support to the Planning and Environmental Protection Directorate, in protection and controls studies and modernization

WHEREAS: This collaboration will include the reimbursement of NYPA's out-of-pocket expenses ("Reimbursable Expenses") related to the provision of Grid Modernization Assistance.

WHEREAS: Mr. Fernando M. Padilla-Padilla, Restructuring and Fiscal Affairs Administrator, requests authorization to execute the Agreement for three months, with a maximum amount of \$500,000.

WHEREAS: On May 19, 2020, PREPA's Chief Financial Officer, Mr. Nelson Morales-Rivera, certified the availability of funds in the budget for Fiscal Year 2020-2021.

WHEREAS: PREPA's General Counsel considered Mr. Padilla-Padilla's memorandum and concluded that the Agreement may be carried out, according to the faculty granted to PREPA by Act 83.

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

Authorize the Chief Executive Officer to execute the Mutual Aid Agreement with the New York Power Authority, for three months and for a maximum amount of \$500,000.

Approved in San Juan, Puerto Rico, on the twenty-fourth day of June, two thousand twenty.



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Eduardo Arosemena-Muñoz  
Secretary of the Board