



GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority
Governing Board

RESOLUTION 4803 RFP PROFESSIONAL SERVICES CONTRACTS FOR LEGAL SERVICES KING & SPALDING AND BAKER DONELSON

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, in the management of its purposes, to grant contracts and formalize all the instruments that are necessary or convenient in the exercise of any of its powers.

WHEREAS: Act 83 grants PREPA the faculty to make the procurement of professional or expert services or work directly, without a competitive bid process, when it deems it in the best interest of good administration for such works or services to be contracted without the use of a bid process. Notwithstanding the foregoing, as part of the administrative policy of PREPA's Governing Board, it is required that, to grant a contract with an amount over \$500,000 in a fiscal year, the stakeholder must perform an RFP process for the services needed

WHEREAS: PREPA requires the assistance of outside legal counsel in connection with legal issues arising from hurricane restoration, restructuring, and other operational matters, such as: hurricane and corresponding relief efforts; PREPA's emergency and power restoration procurement and contracting; Federal Emergency Management Agency (FEMA) reimbursements and project worksheets, audit(s) by different entities, including the Office of the Inspector General (OIG) of the United States; federal and local criminal investigations related to hurricane relief efforts; internal investigations and/or OIG investigations related to hurricane



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relief and restoration contracting; document production and responses to requests for information related to FEMA, OIG, and hurricane restoration contracting; FEMA regulations; assistance in pending and future litigation and or regulatory proceedings, as needed, in major bankruptcy cases, Title III PROMESA restructuring, and Energy Regulations in Puerto Rico Energy Bureau rate case.

WHEREAS: The Program Management Office, Restructuring, and Fiscal Affairs (PMO), issued Request for Proposal (RFP) 99248 for legal services. The following legal firms presented proposals:

1. Baker Donelson, Bearman, Caldwell & Berkowitz, PC
2. Cleary, Gottlieb, Steen & Hamilton LLP
3. Greenberg Traurig
4. Holland & Knight
5. King & Spalding LLP
6. Nixon Peabody LLP

WHEREAS: Mr. Fernando Padilla-Padilla, Restructuring and Fiscal Affairs Administrator, notified that the Evaluation Committee of RFP 99248 recommended contract award to Baker Donelson, Bearman, Caldwell & Berkowitz, PC (Baker Donelson) and King & Spalding LLP (King & Spalding). As stated in the Evaluation Committee Report, Baker Donelson evidenced their experience working with disaster recovery funding grants, audits and federal government regulations, and complied with all the requirements and the intent of the RFP. As to King and Spalding, they also complied with all the requirements and the intent of the RFP, and detailed their experience with the energy industry, various government agencies and regulatory agencies, procurement and contracting advisory experience, and litigation.

WHEREAS: Mr. Padilla-Padilla indicated that the PMO's recommendation is to distribute the budget as follows: \$375,000 assigned to Baker Donelson, and \$1,875,000 assigned King & Spalding, each for a period of three months.

WHEREAS: On June 4, 2020, PREPA's Chief Financial Officer, Mr. Nelson Morales-Rivera, certified the availability of \$9,000,000 in the budget to cover the services for the entirety of Fiscal Year 2020-2021.

WHEREAS: PREPA's General Counsel considered Mr. Padilla-Padilla's memorandum and concluded that the professional services contracts with Baker Donelson and King & Spalding may be carried out, according to the faculty granted to PREPA by Section 15(2) (d) of Act 83, after approval by the Governing Board.

THEREFORE: In accordance with Act 83, this Governing Board resolves to:

1. Confirm the selection performed by the Evaluation Committee in RFP 99248 for legal services.
2. Approve the contracts for a three-month period, until PREPA's management discusses the need for a longer period, with the Puerto Rico Public-Private Partnerships Authority and the O&M Operator.
3. Authorize PREPA's Chief Executive Officer to execute the professional services contract with Baker Donelson, Bearman, Caldwell & Berkowitz, PC for a maximum amount of \$375,000 and effective from July 1st, 2020 until September 30, 2020.
4. Authorize PREPA's Chief Executive Officer to execute the professional services contract with King & Spalding LLP for a maximum amount of \$1,875,000 and effective from July 1st, 2020 until September 30, 2020.

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



Eduardo Arosemena-Muñoz
Secretary of the Board