



GOVERNMENT OF PUERTO RICO

Puerto Rico Electric Power Authority
Governing Board

RESOLUTION 4811 ANKURA CONSULTING GROUP, LLC

- 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 its 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 such process.
- WHEREAS: Ankura Consulting Group, LLC (Ankura) has provided services to PREPA since June 2017. Currently, PREPA and Ankura have a contractual relationship until June 30, 2020, under Contract 2020-P00012 (Contract), with a maximum amount of \$7,420,000 (Contract Amount).
- WHEREAS: Through this Contract, Ankura provides PREPA advisory and support services in financial and bankruptcy area, including Title III, fiscal plan development and certification, Transmission and Distribution (T&D) transaction, Project Management Office (PMO) structuring, reporting, recordkeeping, assist in the coordination with stakeholders, such as the Fiscal Agency and Financial Advisory Authority (AAFAF) and Fiscal Oversight Management Board (FOMB), among others.



PO Box 364267 San Juan, Puerto Rico 00936-4267

WHEREAS: As stated in Mr. Fernando Padilla-Padilla's, Program Management Office (PMO) Restructuring and Fiscal Affairs Administrator, memorandum of June 1, 2020, PREPA requires the continuity of the critical transformation and operational initiatives, which have a direct impact in its restructuring and transformation efforts, and Ankura's expertise in those areas is a main support for the PMO, which is responsible for these initiatives.

WHEREAS: Given the unprecedented challenges faced by PREPA, both operationally and financially, in addition to the transformation of the energy industry and the requirements by the FOMB and the Fiscal Plan implementation, PREPA needs to ensure the continuity of the services provided by Ankura during Fiscal Year 2020-2021.

WHEREAS: In order to continue receiving Ankura's services uninterrupted, Mr. Padilla-Padilla, requests a Professional Service Contract from July 1, 2020 to June 30, 2021, with a contract amount of \$8,500,000.

WHEREAS: On June 5, 2020, PREPA's Chief Financial Officer, Mr. Nelson Morales-Rivera, certified the availability of \$8,500,000 in the budget for Fiscal Year 2020-2021, for this Contract.

WHEREAS: PREPA's General Counsel considered Mr. Padilla-Padilla's memorandum and concluded that the execution of the contract may be carried out, according to the faculty granted to PREPA by Act 83, after approval by the Governing Board.

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

1. Authorize the Chief Executive Officer to execute the Professional Service Contract, between PREPA and Ankura, for Fiscal Year 2020-2021, from July 1, 2020 to June 30, 2021 with a maximum contract amount of \$8,500,000.
2. The General Counsel will review the terms and conditions of the contract to ensure that they meet the legal requirements regarding government contracting.
3. The PMO has the obligation to ensure the use of efficient methods and effective costs controls, as well as to develop the appropriate key performance indicators to measure contractor's performance.

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



Eduardo Arosemena-Muñoz
Secretary of the Board