



Work Plan for Legacy Thermal Generation Facilities Services (1st Contract Year)

1. General

Parties:	<p>The Puerto Rico Electric Power Authority ("<u>Owner</u>")</p> <p>The Puerto Rico Public-Partnerships Authority ("<u>Administrator</u>")</p> <p>The Puerto Rico Energy Bureau ("<u>PREB</u>")</p>
Background:	<p>The Puerto Rico Energy Public Policy Act, Act No. 17-2019, requires Owner to enter into a public-private partnership contract through which it shall transfer the operation and maintenance of Owner's Legacy Generation Assets ("<u>LGA</u>").</p> <p>Owner, Administrator, and Genera PR, LLC (the "<u>Operator</u>") entered into The Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement (the "<u>LGA OMA</u>"), on January 24, 2023.</p> <p>The Regulation for the Procurement, Evaluation, Selection, Negotiation and Award of Partnership Contracts and Sales Contracts for the Transformation of the Electric System under Act No. 120-2018 requires that Administrator, Owner and PREB jointly prepare a work plan for the supervision of the LGA OMA in order to comply with the provisions of Article 10(d) of Act 29-2009 and ensure optimum use of the resources of each entity (the "<u>Work Plan</u>").</p>
Purpose:	<p>The purpose of the Work Plan is to comply with the requirements of the regulatory framework, and allow for the Administrator, with the assistance of Owner and PREB, to oversee the performance and compliance of Owner and Operator with the terms of the LGA OMA.</p>
Work Plan Effective Date:	<p>July 1st, 2023.</p>
Term:	<p>The Work Plan shall be effective for one (1) year from the Work Plan Effective Date. Thereafter, the Parties will enter into a new work plan for each Contract Year.</p>
Defined Terms	<p>Capitalized terms used but not defined in this Work Plan have the respective meanings set forth in the LGA OMA.</p>

2. Work Plan

Item	Responsible Party	Task	Timing
<p>Owner Responsibilities Section 6.1</p>	<p>Owner</p>	<p>Owner’s rights and responsibilities with respect to the LGA include, among others:</p> <ul style="list-style-type: none"> i. grant and assure Operator unrestricted access to and use of the LGA, the Generation Sites and related assets for the performance of Operator’s obligations under the LGA OMA; ii. pay the applicable Service Fee and any other amounts due Operator, and timely fund the Service Accounts, all in accordance with the terms and conditions of the LGA OMA; iii. ensure that, to the extent PROMESA requires Owner to submit any Budget to the FOMB for approval, such Budget provides that Owner is authorized to pay amounts due to Operator under the LGA OMA and timely fund the Service Accounts in the required amounts and in accordance with Section 7.6 (Service Accounts) of the LGA OMA; iv. cooperate with Operator such that the Budgets and funds in support of O&M Services are sufficient in amount to enable Operator to meet the Contract Standards and provide a reasonable opportunity for Operator to achieve the Incentive Payment; v. (A) respond promptly (and in any event within thirty (30) days or shorter period required by the LGA OMA) to all requests of Operator confirming its position or decision (as applicable) with respect to all matters requiring the approval, review or consent of Owner (and in each such case, unless otherwise specifically stated in the LGA OMA, Owner shall not unreasonably withhold, delay or condition any such approval, review or consent) and as to such other matters relating to the obligations of Operator thereunder in respect of which Operator shall reasonably request the response of Owner in accordance with the provisions of the LGA OMA, (B) provide Operator with such information, data and assistance as may be reasonably necessary or appropriate for Operator to perform its obligations (including with respect to any PREB rate or other proceeding or requirement) under the LGA OMA, and (C) from time to time, as and when requested by Operator, execute and deliver, or cause to be executed and delivered, all such documents and instruments and take, or cause to be taken, 	<p>Ongoing</p>

Item	Responsible Party	Task	Timing
		all such reasonable actions, as may be reasonably necessary for Operator to perform its obligations under the LGA OMA; vi. except as otherwise contemplated by Section 5.11 (Legal Matters) of the LGA OMA, manage Owner’s legal matters, including Owner’s reporting and related legal compliance; vii. cooperate with Operator and Administrator in obtaining and maintaining all Governmental Approvals; viii. take all other actions, and cause its employees and other Representatives to take all other actions, reasonably required or reasonably requested by Operator to permit Operator to perform the O&M Services in compliance with the Contract Standards and the LGA OMA, including the enforcement of existing Easements and, to the extent necessary, the constitution of new Easements; ix. exercise its statutory powers pertaining to any and all rights and remedies granted to it under Applicable Law, including doing so promptly when requested by Operator; and x. coordinate any Audits that Owner is entitled to perform under the LGA OMA with any Audits being undertaken by Administrator and any other Governmental Body.	
Governmental Approvals Sections 5.3(b) and 6.1(a)(vi)	Administrator	Cooperate with Operator in obtaining and maintaining Governmental Approvals.	Ongoing
	Owner		
Oversight of Operator Section 6.2(a) Environmental, Health and Safety Matters. Section 5.9(a)(iii) Bill Payments Section 5.15	Administrator	Administrator’s rights and responsibilities with respect to the Generation System include, among others: i. review and approve O&M Budgets, including modifications thereto, to ensure compliance with the then applicable Rate Order; ii. review and approve the Incentive Payment payable to Operator for a given Contract Year; iii. cooperate with Operator such that the Budgets and funds in support of O&M Services are sufficient in amount to enable Operator to meet the Contract Standards and provide a reasonable opportunity for Operator to achieve the Incentive Payment; iv. exercise Oversight in relation to Operator’s compliance with O&M Budgets;	Ongoing

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Information Access Section 5.14(c)		<ul style="list-style-type: none"> v. exercise Oversight in relation to Operator’s compliance with its Obligations under the LGA OMA; vi. respond to all requests of Operator with respect to matters requiring the approval, review or consent of Administrator and as to such other matters relating to the obligations of Operator under the LGA OMA in respect of which Operator shall reasonably request the response of Administrator; vii. (A) cooperate with Operator by providing Operator such information, data and assistance as may be reasonably necessary for Operator to perform its obligations under the LGA OMA and (B) from time to time, as and when requested by Owner, execute and deliver, or cause to be executed and delivered, all such documents and instruments and take, or cause to be taken, all such reasonable actions, as necessary for Operator to perform its obligations under the LGA OMA; viii. declare an Event of Default and exercise remedies under the Agreement, including termination of the LGA OMA upon the occurrence of an Operator Event of Default; ix. exercise Oversight in relation to Operator’s compliance with federal funding requirements; x. coordinate any Audits that Administrator is entitled to perform under the LGA OMA with any Audits being undertaken by Owner and any other Governmental Body; xi. the right to contest any claim of a Pre-Existing Environmental Condition and shall not be required to take any actions under Section 5.9 (Environmental, Health and Safety Matters) of the LGA OMA if the conditions listed on paragraph (a)(iii) of the referenced Section 5.9 exist; xii. the right to instruct Owner to pay any bill that Operator fails to timely pay with funds that are available in the relevant Service Account, and deduct an administrative fee in an amount of US \$500 from the Incentive Payment otherwise due to Operator; and, xiii. access to the information described in Section 5.14(c) (Information Access) of the LGA OMA. 	

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Reporting; Audits Section 6.3	Administrator	i. Request to be made available for inspection all information related to the LGA OMA or the LGA; ii. Prior notice, conduct interviews with Operator’s representatives to discuss the obligations of Operator under the LGA OMA to determine compliance with the provisions of the LGA OMA.	Ongoing
	PREB	To conduct audits and inspections as needed in the performance of its statutory duties.	
Contracts Section 5.2 (a) and (d)	Administrator	i. Authorize any new or replacement Facility Contracts in excess of \$1 MM in any Contract Year or \$3 MM in the aggregate. ii. Supervise and ensure Operator’s Compliance with the Procurement Manual.	Ongoing
Facility Regulatory Matters Section 5.3	Administrator	Cooperate with Operator, and, as necessary, T&D Operator in obtaining and maintaining required Governmental Approvals.	Ongoing
	Owner		
Safety and Security Section 5.4	Administrator	Review and approve Operator’s written request to withdraw funds from the Service Account (other than the Fuel Account) in the instances in which there are no funds on deposit in the Reserve Account and the Operator determines reasonable precautions and actions are necessary to comply with its obligations under Section 5.4(a) (Safety and Security – Safety) of the LGA OMA.	Ongoing
Labor and Employment Section 5.5	Administrator	Review and approve any Operator’s request to utilize Operator or its employees for any purpose other than providing the O&M Services or Decommissioning Services under the LGA OMA.	Ongoing
Capital Spare Parts and Capital Improvements Section 5.6	Administrator	Review and approve Operator’s detailed procurement recommendation for installation of any replacement Capital Spare Parts necessary to allow it to continue to operate the respective LGA to comply with its obligations under the LGA OMA or that would improve unit availability and/or reduce fuel costs.	Ongoing
	PREB		
	PREB	Review and approve any Operator proposal for Capital Improvements that would be (a) federally funded and owned by Owner, (b) made, owned, and funded by Owner or (c) made, owned, and funded by Operator or its designated Affiliate.	Ongoing

Item	Responsible Party	Task	Timing
	Owner	<ul style="list-style-type: none"> i. Notify Operator in writing of any Capital Improvements that may be eligible for federal funding. ii. Cooperate with Operator to address and comply with federal agency requirements, so as not to jeopardize the relevant LGA's eligibility to receive federal funding. 	Ongoing
Fuel Contracts Section 5.7	Administrator	Review and approve the renewal of an existing Fuel Contract and any procurement of a new Fuel Contract, negotiated by Operator after Service Commencement Date.	Ongoing
Environmental, Health and Safety Matters. Section 5.9	Owner	<ul style="list-style-type: none"> i. Commence and diligently prosecute Remedial Actions as are required by Applicable Law or to prevent future material interference with the performance of the O&M Services or material increases in costs of performing the O&M Services when Operator notifies Administrator and Owner of any of the Pre-Existing Environmental Conditions detailed in Section 5.9 (Environmental, Health and Safety Matters) of the LGA OMA. ii. Coordinate with Operator to prevent the implementation of Remedial Actions that could impede or prevent Operator's performance of the O&M Services and any of its obligations under the LGA OMA. iii. Work in good faith with Administrator and Operator to reach a prompt, written agreement for the pursuit of the Remedial Action, including terms assuring the pre-funding of Operator's reasonable and documented costs and expenses in effectuating the Remedial Action as a Pass-Through Expenditure, necessary to remediate the Release of a reportable quantity of Hazardous Material or that could be reasonable expected to result in material Losses to Owner or Operator. iv. Execute all applications, submissions and related documents as required in connection with any such Remedial Action. v. Notify Operator of its or Administrator's intention to enter into a consent decree or other form of settlement in resolution of any Legal Proceeding that may be brought under any Environmental Law by a Governmental Body or third party that imposes, or has the potential to impose, any injunctive relief or other prospective restrictions on operations at any LGA, prior to entering into such consent decree or settlement. 	Ongoing

Item	Responsible Party	Task	Timing
	Administrator	<ul style="list-style-type: none"> i. Receive notification from Operator of any Release of a reportable quantity of Hazardous Material or that could be reasonable expected to result in material Losses to Owner or Operator. ii. Work in good faith with Owner and Operator to reach a prompt, written agreement for the pursuit of the Remedial Action, including terms assuring the pre-funding of Operator’s reasonable and documented costs and expenses in effectuating the Remedial Action as a Pass-Through Expenditure, necessary to remediate the Release. iii. Execute all applications, submissions and related documents as required in connection with any such Remedial Action. iv. Notify Operator of its or Owner’s intention to enter into a consent decree or other form of settlement in resolution of any Legal Proceeding that may be brought under any Environmental Law by a Governmental Body or third party that imposes, or has the potential to impose, any injunctive relief or other prospective restrictions on operations at any LGA, prior to entering into such consent decree or settlement. 	Ongoing
Notification of Incidents and Emergencies Section 5.13	Administrator	<ul style="list-style-type: none"> i. Receive notifications from Operator of material accident or incident involving injuries to person or property related to the LGA, including all material claims made by or against Operator, and any information reasonably requested by Administrator to identify and assess potential material claims that may reasonably be expected to arise as a result of or in connection with such accident or incident. ii. Receive notifications from Operator of all Emergencies related to the LGA, including actions taken during such events and weekly updates if the Emergency is extended. 	Ongoing
	PREB		
Service Fee Section 7.1	Administrator	<ul style="list-style-type: none"> i. Review monthly invoices for the O&M Fixed Fee. ii. Review and approve yearly Incentives and Penalties Report and, within 120 days, submit a written statement to Operator describing any disagreements with it. 	Ongoing
	Owner	<ul style="list-style-type: none"> i. Pay Fixed Fee as instructed by Administrator. ii. Pay any undisputed portion of the Incentive Payments, after deducting any undisputed Penalties. 	
O&M Budgets Section 7.3	Administrator	Review and ensure O&M Budgets comply with the applicable Rate Order and Section 7.4 of the T&D OMA.	Completed for FY2024; FY2025

Item	Responsible Party	Task	Timing
			scheduled for 3Q2024
	PREB	<ul style="list-style-type: none"> i. Review, approve and, as necessary, modify O&M Budgets. ii. Review and approve quarterly Fuel Budgets. 	Completed for FY2024; FY2025 scheduled for 3Q2024 (may be in conjunction with Rate Case)
Rate Proceeding Section 7.5	Administrator	<ul style="list-style-type: none"> i. Cooperate in good faith with Operator and T&D Operator to prepare proposed O&M Budgets to be included in or otherwise form the basis of such Rate Order Modification Request. ii. Allow Operator to coordinate with T&D Operator to include in any Rate Order Modification Request capital improvements to the LGA, or any other addition if unforeseen circumstances require increases to the O&M Budgets. 	Ongoing
	PREB	Conduct the Rate Proceedings according to law.	Started, Scheduled for 3Q2024-4Q2024
Decommissioning Account Section 7.6(c)	Owner	No later than ten (10) Business Days prior to the Decommissioning Commencement Date, fund the Decommissioning Account with an amount equal to the sum of all anticipated Pass-Through Expenditures for the following one (1) month, based on the then-currently approved Decommissioning Budget.	Not yet required
Review Notifications of Reports Sections 5.13, 8.2	Administrator	i. Receive notices from Operator of any material accident or incident related to the LGA and of material claims or potential material claims against Operator.	Ongoing
	PREB	<ul style="list-style-type: none"> ii. Receive notifications from Operator regarding material emergencies related to the LGA and of Operator's proposed response to such events. iii. Review of Guarantor's audited and unaudited financial statements provided by Operator. iv. Review monthly, quarterly, and other periodic reports. 	

Item	Responsible Party	Task	Timing
Decommissioning Services and Compensation Sections 16.1 and 16.2	Administrator	<ul style="list-style-type: none"> i. Deliver to Operator a decommissioning notice to commence Decommissioning Services for one or more of the LGA. ii. Review and approve a request from Operator to commence Decommissioning Services for one or more of the LGA in the event Operator determines that, due to an Emergency Event, Extended Event, or other critical developments at the applicable LGA, all or a portion of the LGA cannot continue to be safely operated and maintained. iii. Review and approve the Decommissioning Plan for one or more LGA. iv. Deliver to Operator a decommissioning notice to proceed regarding one or more Out-of-Service Units and, review and approve the associated Decommissioning Plan. v. Review and approve Decommissioning Budgets as part of associated Decommissioning Plans. 	Not yet required
	PREB	<ul style="list-style-type: none"> i. Review and approve a request from Operator to commence Decommissioning Services for one or more of the LGA in the event Operator determines that, due to an Emergency Event, Extended Event or other critical developments at the applicable LGA, all or a portion of the LGA cannot continue to be safely operated and maintained. ii. Review and approve the Decommissioning Plan for one or more LGA. iii. Review and approve the Decommissioning Plans for Out-of-Service Units. iv. Review and approve Decommissioning Budgets as part of associated Decommissioning Plans. 	Not yet required
	Owner	<ul style="list-style-type: none"> i. Establish the Decommissioning Account in accordance with Section 7.6(c) (Service Accounts – Decommissioning Account) of the LGA OMA. ii. Pay Operator all Pass-Through Expenditures required to perform the Decommissioning Services. 	Not yet required