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Executive Director

BY ELECTRONIC MAIL

September 16, 2026

Mr. Josué Colón Ortiz
Energy Czar
Executive Director
Puerto Rico Public-Private Partnerships Authority

Mr. Fernando Osorio Caña
Interim Executive Director
Puerto Rico Electric Power Authority

Mr. Osvaldo Carlo Linares
President
Third-Party Procurement Office

Dear Messrs. Colón Ortiz, Osorio Caña, and Carlo Linares,

The Oversight Board writes regarding the proposed power generation contract between the Puerto Rico Electric Power Authority (“PREPA”), as buyer, and Gothams Energy, LLC and Americas Power Solutions Holdings, Ltd. (jointly, the “Seller”) (the “Proposed Contract”). The Proposed Contract stems from procurement process no. 3PPO-0314-20-TPG2 (the “RFP”) issued by the Third-Party Procurement Office (“3PPO”) to address an anticipated generation shortfall, secure near term generation, and stabilize system reliability.

On May 8, 2026, **the Oversight Board approved the Proposed Contract conditioned upon PREPA revising several material provisions**, including project schedule and performance enforcement, site selection, payment and performance guarantees, and fuel structure and fixed-price assurances.¹ Consequently, on June 2, 2026, 3PPO submitted to the Oversight Board a partial response with a revised version of the Proposed Contract. 3PPO advised that the revised milestone

¹ See the Oversight Board’s letter dated May 8, 2026.

schedule and other documentation remained outstanding. The Oversight Board requested status updates on June 18 and June 22, 2026, respectively. On June 19, 2026, 3PPO informed the Oversight Board that it expected to meet with the Seller to address outstanding matters. **To date, PREPA has not submitted the final revised version of the Proposed Contract and required documentation for the Oversight Board’s review and approval prior to execution.**

The Puerto Rico Energy Bureau’s (“PREB”) Resolution and Order dated August 31, 2026, further amplifies the need to clarify the status of the Proposed Contract.² Following the cancellation of the temporary power generation contract between PREPA and Power Expectations, LLC; Enchanted Rock; and Reyes Contractor, LLC (the “Power Expectations Contract”);³ PREB directed PREPA to obtain from the Puerto Rico Public-Private Authority (“P3A”) and 3PPO a report on the status of the RFP, including which proposals, if any, remain under consideration and whether the RFP permits their continued evaluation, negotiation, or award without initiating a new competitive process. PREB also required PREPA, P3A, and 3PPO to provide their recommendations regarding the most expeditious course of action for securing emergency temporary generation.

As the Proposed Contract resulted from the RFP and given the urgent need to secure additional dependable generation, PREPA, P3A, and 3PPO must promptly determine whether the Proposed Contract remains a viable near-term generation option.

Accordingly, the Oversight Board hereby requires PREPA, P3A, and 3PPO to provide a status update regarding the Proposed Contract, addressing the following:

- i. Why the conditions from the Oversight Board have not yet been addressed;
- ii. All actions undertaken since May 8, 2026 in connection with the evaluation, negotiation, procurement, contract administration, or other efforts related to the Proposed Contract;
- iii. Whether the parties intend to proceed with the Proposed Contract and, if so, all matters that remain outstanding; and
- iv. The expected timeline for completing any remaining negotiations and submitting the final revised version of Proposed Contract to the Oversight Board for review and approval.

If the parties determine that the Proposed Contract is no longer viable, PREPA must promptly notify the Oversight Board and request that the Proposed Contract be withdrawn from review pursuant to the Oversight Board’s Contract Review Policy. PREPA must also redirect its efforts toward other near-term generation resources capable of addressing Puerto Rico’s generation needs.

PREPA, P3A, and 3PPO must submit the required information and supporting documentation to StrategicContracts@promesa.gov and PRE@promesa.gov no later than **September 23, 2026**.

We look forward to continuing to work with you for the benefit of the people of Puerto Rico.

² See <https://energia.pr.gov/wp-content/uploads/sites/7/2026/08/20260831-MI20240005-Resolucion-y-Orden.pdf>

³ See the Oversight Board’s letter dated August 17, 2026 revoking its approval to the Power Expectations Contract.

Messrs. Colón Ortiz, Osorio Caña, and Carlo Linares
September 16, 2026

Sincerely,



Robert F. Mujica, Jr.
Executive Director

CC: Chairman Edison Avilés Deliz