PUERTO RICO
ELECTRIC POWER AUTHORITY
PREPA
GOVERNMENT OF PUERTO RICO

Mary C. Zapata Acosta
Executive Director

December 5, 2025

Via Email
ocarlo@carlolaw.com

Mr. Osvaldo Carlo, Esq.
President
Third-Party Procurement Office (3PPO)

Dear Mr. Carlo:

Re: Response to 3PPO Letter Dated December 3, 2025 – RFP 3PPO-0314-20-TPG2

The Puerto Rico Electric Power Authority (PREPA) acknowledges receipt of your letter dated December 3, 2025, regarding the status of the negotiations under RFP 3PPO-0314-20-TPG2 and the most recent communication submitted by Javelin Global Commodities. As the 3PPO correctly noted, PREPA's Governing Board (Board) addressed this matter through Resolution No. 5213, approved on October 24, 2025. In that Resolution, the Board expressly authorized the Executive Director to formalize and execute contracts with the selected proponents only to the extent that the resulting agreements remain within the parameters established in the RFP and the corresponding proposals submitted by each proponent and required that any material deviation be returned to the Board for approval. The Board's authorization was therefore conditioned and limited in scope.

Consistent with that authority, PREPA reiterates that no deviation from the requirements of the RFP or from the proponents' certified submissions may be entertained. As part of the evaluation and selection process, Javelin certified its acceptance of the non-negotiable terms established by the 3PPO. This certification constituted a material element of PREPA's determination that a contract could be presented to the Governing Board for approval. PREPA therefore views Javelin's present attempt to reopen, modify, or introduce commercial terms inconsistent with the RFP terms and conditions as a departure from its prior representations and a position incompatible with the authorization granted by the Board.

PREPA further notes that the Notice of Award issued on September 5, 2025, expressly stated that the award was conditional, non-binding, and created no legal or equitable rights in favor of any proponent unless and until a final written contract acceptable to PREPA, the Energy Bureau, and the Financial Oversight and Management Board was executed. Consequently, Javelin's assertion that the award entitles it to negotiate terms beyond those contained in the RFP, or its own proposal is unsupported. The 3PPO's adjudication did not—and could not—confer contractual rights.

Based on the foregoing, PREPA concludes that Javelin's current position lacks merit and is inconsistent with its earlier certifications. PREPA therefore concurs with the 3PPO that negotiations may proceed within the RFP terms and the submitted proposal. Should Javelin decline to do so, PREPA understands that 3PPO may, in accordance with the Notice of Award and applicable procurement rules, proceed with the next steps deemed appropriate.

We trust that the foregoing provides the necessary guidance to the 3PPO, and PREPA will remain attentive to the 3PPO's forthcoming communications.

Cordially,

Mary C. Zapata-Acosta
Executive Director

c Josué A. Colón Ortiz, Executive Director P3A; josue.colon@p3.pr.gov