Order No. 202-25-1

Pursuant to the authority vested in the Secretary of Energy by section 202(c) of the Federal Power Act (FPA), 16 U.S.C. § 824a(c), and section 301(b) of the Department of Energy Organization Act, 42 U.S.C. § 7151(b), and for the reasons set forth below, I hereby determine that an emergency exists in Puerto Rico due to a shortage of electric energy, a shortage of facilities for the generation of electric energy, and other causes, and that issuance of this Order will meet the emergency and serve the public interest.

The Puerto Rican electrical grid remains in a fragile state due to decades of deferred maintenance, insufficient investment, and the bankruptcy of the system owner and operator. Further, the devastating effects of Hurricanes Irma and Maria (both Category 5) in 2017, Fiona (Category 2) in 2022, and earthquakes in 2020, have significantly contributed to the grid's deterioration. Recent investments in the Puerto Rico grid have provided insignificant improvement towards augmenting reliability and security of the grid.

The result is that Puerto Rico continues to experience frequent partial or total blackouts,[1] with the latest partial blackout occurring on May 15, impacting 134,000 customers and island-wide blackout occurring on April 16, 2025, impacting all 1.4 million electric customers. Furthermore, the power quality metrics in Puerto Rico remain poor[2] (voltage and frequency regulation), affecting not only residential customers, but also industry, commerce, telecommunications, healthcare, public safety and other essential critical services.[3]

The resource adequacy issues in Puerto Rico have been exacerbated by, among other factors, the unexpected long-term outage on February 14, 2025, of Unit 1 (450 MW) at the Aguirre power plant. The number and frequency of forced outages continues to adversely affect grid operations, continuing to delay much needed planned maintenance outages. These outages are likely to lead to insufficient generation capacity to meet customer demand starting in May 2025.[4] The majority of the conventional generation fleet requires urgent maintenance and fuel conversion initiatives that cannot currently be efficiently

[1] *See, e.g.*, Puerto Rico Public Service Regulatory Board (PSRB), Consolidated Investigation Report, PSRB Case Nos. NEPR-IN-2024-002, NEPR-IN-2024-003 (Apr. 4, 2025) (outlining findings regarding significant power outages in Puerto Rico and highlighting that "Puerto Rico's electrical grid continues to face significant vulnerabilities, largely due to outdated infrastructure and insufficient maintenance practices.").
[2] A. Nassif, "Managing distribution resources: the LUMA perspective" (23PESGM4426), IEEE PES General Meeting 2023.
[3] On March 24–26, 2025, Department of Energy staff engaged with stakeholders in Puerto Rico who raised concerns regarding these issues.
[4] *Id.*

implemented, as taking the units offline for these activities would likely result in negative impacts to grid reliability.

According to the Puerto Rico Electricity System Resource Adequacy Interim Update for Summer 2025 (2025 Resource Adequacy Summer Update), without any action Puerto Rico can be expected to experience severe inadequate capacity reserves from May 2025 and extending through October 2025.[5] Any loss of a major unit in Puerto Rico is beyond the ability of the system to manage without resorting to load shedding,[6] as demonstrated on May 13, 2025, when the forced outage of the Costa Sur Unit 5 caused a load shedding event which affected 200,000 customers.[7] This also means that if "another baseload unit fails, the impact would be catastrophic: up to 135 days and 1,102 hours of load shedding."[8]

On April 2, 2025, the Governor of Puerto Rico issued an Executive Order, EO-2025-016, which declared a state of emergency with respect to Puerto Rico's electricity system.

> "I hereby declare a modification and expansion of the state of emergency concerning Puerto Rico's electric system, including—but not limited to—the transmission and distribution system, as well as the generation system and the auxiliary infrastructure required to operate Puerto Rico's electric system in a reliable and affordable manner and in compliance with applicable laws, including environmental regulations. This declaration also seeks to modernize and strengthen the system in line with our current times and circumstances."

According to the 2025 Resource Adequacy Summer Update, the restoration of at least 800MW will reduce the mean probability of Loss of Load Events from 90 to 5 and this will significantly reduce the likelihood of widespread blackouts and will make the system more resilient to generation outage events.

Given the emergency nature of the expected load stress, the responsibility of the Puerto Rico Electric Power Authority (PREPA) to ensure maximum reliability on its system, and the ability of PREPA to identify and dispatch generation necessary to meet load requirements, I have determined that, under the conditions specified below, additional dispatch of the Specified Generators, as described in the attachment "Order No. 202-25-1

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[5] 2025 Resource Adequacy Summer Update at 20.
[6] *Id*. at 27.
[7] Yaritza Rivera Clemente, "Falla en la Unidad 5 de Costa Sur provocó que cerca de 200,000 clientes se quedaran sin servicio de energía eléctrica - El Nuevo Día," https://www.elnuevodia.com/noticias/locales/notas/falla-en-la-unidad-5-de-costa-sur-provoco-que-cerca-de-200000-clientes-se-quedaran-sin-servicio-de-energia-electrica (accessed on May 14, 2025).
[8] *Supra* note 15.

Specified Generation Resources," is necessary to best meet the emergency and serve the public interest for purposes of FPA section 202(c).

FPA section 202(c) requires the Secretary of Energy to ensure that any 202(c) order that may result in a conflict with a requirement of any environmental law be limited to the "hours necessary to meet the emergency and serve the public interest, and, to the maximum extent practicable," be consistent with any applicable environmental law and minimize any adverse environmental impacts. Anticipated load conditions may necessitate operation of the Specified Generators.

To minimize adverse environmental impacts, this Order limits operation of dispatched units to the times and within the parameters determined by PREPA for maintaining grid reliability.

Order

Based on my determination of an emergency set forth above, I hereby order:

From May 16, 2025 to August 14, 2025, I order PREPA, or its agents, to dispatch such units from the Specified Resources as necessary to maintain grid reliability.[9]

PREPA is directed to provide the parameters described above to the Department upon implementation, and to report all dates on which the Specified Resources are operated by August 15, 2025, or the date upon which a renewal request is submitted, whichever occurs first.

The Specified Resources must operate only during hours necessary to meet the emergency and serve the public interest, and, to the maximum extent practicable, is consistent with any applicable Federal, State, or local environmental law or regulation and minimizes any adverse environmental impacts.

Renewal of this Order, should it be needed, must be requested prior to its expiration. If the conditions creating the emergency remain substantially unchanged, a renewal request should be submitted at least 14 calendar days before this Order expires.

Issued in Washington, D.C. at 2:24pm Eastern Daylight Time on this 16th day of May 2025.

[9] The private operations of (a) the transmission and distribution infrastructure; and (b) the legacy generation assets are both agents of PREPA under the corresponding Operation & Maintenance Agreements each signed with the government of Puerto Rico in 2020 and 2023, respectively.

Chris Wright
Secretary of Energy

Attachment:

Order No. 202-25-1 Specified Generation Resources

Order No. 202-25-1 Specified Generation Resources

Owner	Entity ID	Plant ID	Plant Name	Generator/Unit
Puerto Rico Electric Power Authority	15497	61146	Aguirre Plant	1
Puerto Rico Electric Power Authority	15497	61146	Aguirre Plant	2
Puerto Rico Electric Power Authority	15497	61147	Costa Sur Plant	5
Puerto Rico Electric Power Authority	15497	61147	Costa Sur Plant	6
Puerto Rico Electric Power Authority	15497	61148	Central San Juan Plant	7
Puerto Rico Electric Power Authority	15497	61148	Central San Juan Plant	9
Puerto Rico Electric Power Authority	15497	61148	Central San Juan Plant	CC5
Puerto Rico Electric Power Authority	15497	61148	Central San Juan Plant	CC6
Puerto Rico Electric Power Authority	15497	61149	Palo Seco Plant	3
Puerto Rico Electric Power Authority	15497	61149	Palo Seco Plant	4
Puerto Rico Electric Power Authority	15497	61150	Cambalache Plant	GT-1
Puerto Rico Electric Power Authority	15497	61150	Cambalache Plant	GT-2
Puerto Rico Electric Power Authority	15497	61150	Cambalache Plant	GT-3
Puerto Rico Electric Power Authority	15497	61151	Mayaguez Plant	GT-1
Puerto Rico Electric Power Authority	15497	61151	Mayaguez Plant	GT-2
Puerto Rico Electric Power Authority	15497	61151	Mayaguez Plant	GT-3
Puerto Rico Electric Power Authority	15497	61151	Mayaguez Plant	GT-4
Puerto Rico Electric Power Authority	15497	61171	Jobos	GT-1
Puerto Rico Electric Power Authority	15497	61171	Jobos	GT-2
Puerto Rico Electric Power Authority	15497	61227	Daguao	GT-1
Puerto Rico Electric Power Authority	15497	61227	Daguao	GT-2
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 1

Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 2
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 3
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 4
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 5
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 6
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 7
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 8
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 9
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation San Juan	General Electric TM2500 Emergency Generators - Unit 10
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation Palo Seco	20MW - Unit 1
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation Palo Seco	20MW - Unit 2
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation Palo Seco	25MW - Unit 1
Puerto Rico Electric Power Authority	N/A	N/A	FEMA Temporary Power Generation Palo Seco	25MW - Unit 2