Third-Party Procurement Office (3PPO)

Emergency Temporary Power Generation Program

Timeline Process Report — TPG1 and TPG2

RFP Nos. 3PPO-0314-20-TPG and 3PPO-0314-20-TPG2

Prepared for the Office of the Governor of Puerto Rico

August 6, 2026

Executive Summary

PREPA, acting through the Third-Party Procurement Office (3PPO) under the delegated authority of the Puerto Rico Public-Private Partnerships Authority (P3A), ran two sequential emergency RFPs to secure up to 800 MW of temporary power generation at the Aguirre and Costa Sur plants, pursuant to Puerto Rico Energy Bureau (PREB) directives in Case No. NEPR-MI-2024-0005. The first RFP ("TPG1," 3PPO-0314-20-TPG) ran from March to August 2025 and recommended Power Expectations LLC for award; however, PREB's July 4, 2025 conditional approval required a 10-year contract term — a material change from the original RFP structure — leading 3PPO to relaunch the procurement.

The relaunched RFP ("TPG2," 3PPO-0314-20-TPG2) ran from July 2025 through the Contract's execution on June 10, 2026, following review and approval by the Puerto Rico Energy Bureau (Dec. 11, 2025) and the Financial Oversight and Management Board (FOMB) (final approval June 2, 2026). Since execution, implementation has encountered several issues now under FOMB scrutiny: Enchanted Rock, LLC was substituted by Flotek Industries, Inc. within the project's Special Purpose Vehicle (consented to by PREPA on July 31, 2026); LUMA's interconnection concerns led to an August 3, 2026 agreement capping initial installed capacity at 434 MW to avoid a full system-impact study; PREPA denied Power Expectations' July 6, 2026 request to extend project milestones and the Commercial Operation Date (July 15, 2026); and, as of this report's most recent source document (August 5, 2026), Power Expectations had not delivered the Payment and Performance Bond that was contractually due on or about July 1, 2026. PREPA continues to target a November 4, 2026 Commercial Operation Date.

This report presents the consolidated timeline of both procurements in chronological order — Part I (TPG1), Part II (TPG2, procurement through post-execution implementation), and Part III (current status) — compiled from the 3PPO's presentation reports, the July 8, 2025 briefing to the Governor's office, the July 29, 2026 status report, and PREPA/ReComS's August 5, 2026 response to FOMB's Request for Information.

Part I — TPG1: Original Emergency RFP (3PPO-0314-20-TPG)

TPG1 was issued to address a system-wide generation deficit of approximately 1,846 MW offline for repairs against an available capacity of roughly 2,800 MW and a projected summer peak demand of 3,200 MW or more. Two proponents — Power Expectations LLC and Javelin Global Commodities — met all RFP requirements; five others were disqualified or not recommended. Power Expectations was recommended for the full award, but PREB's conditional approval required contract terms materially different from the original RFP, prompting 3PPO to relaunch the process as TPG2.

Date	Milestone / Activity
Oct 2024	PREB's Adequacy Report documents the critical condition of Puerto Rico's electric system. PREB opens Case No. NEPR-MI-2024-0005 and, based on this and subsequent LUMA filings, authorizes PREPA to procure up to 800 MW of temporary emergency generation through the Third-Party Procurement Office (3PPO).
Mar 25, 2025	RFP 3PPO-0314-20-TPG issued. Target: up to 800 MW of temporary generation (≤400 MW per site) at Aguirre and Costa Sur, via floating barges, land-based units, or a hybrid/battery solution.
Apr 24, 2025	One day before the deadline, and on LUMA's advisement, 3PPO clarifies that Aguirre can accept up to 600 MW (rather than the 400 MW originally communicated). Costa Sur's limit is later confirmed at 200 MW.
Apr 25, 2025	Proposal submission deadline. Of 34 proponents that signed NDAs and attended site visits, 7 submit formal proposals.
Apr 26 – May 1, 2025	3PPO Evaluation Committee (Team A) reviews technical, legal, and financial submissions.
May 2, 2025	Notice of Recommended Proponents issued: Power Expectations LLC (Aguirre and Costa Sur) and Javelin Global Commodities (Costa Sur).
May 3, 2025	Evaluation recommendations formally submitted to PREPA.
May 9, 2025	PREPA's Governing Board authorizes the Executive Director to proceed with contract negotiations.
May 12 – Jun 16, 2025	Contract negotiations proceed. Power Expectations moves from a proposed 10-year term to 3+1+1 years; PREPA counters with 2+1+1, accepted in principle. Javelin's terms (a $150M letter of credit and a $0.14/kWh take-or-pay structure) exceed the RFP's financial parameters, and its negotiation does not conclude.
Jun 20, 2025	Recommended contract and evaluation report referred to the Puerto Rico Energy Bureau (PREB) for final review under Case No. NEPR-MI-2024-0005.
Jun 27, 2025	3PPO internal memorandum addresses an anonymous allegation regarding the legal history of Power Expectations' president. It confirms he entered a nolo contendere plea to non-disqualifying 2014 charges and was not convicted of any offense barring participation under Puerto Rico law.
Jul 4, 2025	PREB issues a conditional-approval resolution: the contract must adopt a 10-year term (rather than the RFP's 1+1+1/2+1+1 structure) and reduced energy rates of $0.189/kWh at Aguirre and $0.203/kWh at Costa Sur (down from the negotiated ~$0.245/kWh), with all project costs assigned to Power Expectations.
Jul 8, 2025	3PPO prepared a briefing document for the Governor's office summarizing the RFP process, evaluation outcomes, disqualified/non-recommended proponents, and the pending negotiation status with Power Expectations following PREB's resolution.

Date	Milestone / Activity
Jul 2025 (following PREB resolution)	3PPO determined that PREB's required 10-year term is a material (“cardinal”) change from the original RFP scope — risking noncompliance with CICA, 2 CFR §200.319, and FAR 6.001 — and concludes the process must be relaunched so all qualified bidders can compete under the revised terms. Gothams LLC separately files an extraordinary remedy with the Puerto Rico Court of Appeals; 3PPO advises the Court the RFP will be relaunched, the Court deems the matter academic, and 3PPO awaits PREB's formal reopening of the case before issuing the new RFP.
Aug 22, 2025	3PPO presented a closeout summary of the TPG1 process and its outcome to the PREPA Governing Board.

Part II — TPG2: Relaunched RFP and Contract Execution (3PPO-0314-20-TPG2)

A. Procurement, Regulatory Review, and Contract Execution

TPG2 was issued as an expedited relaunch of the RFP to reflect PREB's revised terms. Three proponents — Power Expectations, Javelin, and Gothams — submitted proposals. On price and schedule, Gothams' proposal scored highest overall (3.37 of 5), followed by Javelin (3.22) and Power Expectations (2.77); Power Expectations was nonetheless selected to proceed to negotiation. The resulting contract underwent review by the Puerto Rico Energy Bureau and the Financial Oversight and Management Board before execution on June 10, 2026.

Date	Milestone / Activity
Jul 15, 2025	RFP 3PPO-0314-20-TPG2 issued as an expedited relaunch, reflecting PREB's revised terms (10-year duration, adjusted pricing). Scope: up to 800 MW total — Aguirre ≤400 MW, Costa Sur ≤200 MW, plus up to 200 MW at an additional site — open to all qualified bidders.
Aug 6, 2025	Proposal deadline. Power Expectations, Javelin, and Gothams submit proposals; 3PPO evaluation begins.
Aug 8, 2025	3PPO completes its initial evaluation of the submitted proposals.
Aug 12, 2025	3PPO issues Requests for Information (RFIs) to proponents to complete the financial evaluation.
Aug 14, 2025	Evaluation and Recommendation Report completed and sent to PREPA;
Sep 5, 2025	Notice of award is sent to selected proponents.
Aug 22, 2025	TPG2 evaluation results, comparison tables, and scorecard presented to the PREPA Governing Board, together with the TPG1 closeout summary.
Sep 5, 2025	Power Expectations notified of its conditional selection to proceed to the contract negotiation and approval phase.
Oct 16, 2025	Power Expectations submits a certified response to a 3PPO RFI, representing that its proposed Commercial Operation Date fell within the RFP delivery period, that all milestones were achievable, and that it was responsible for coordinating all interconnection work with LUMA and Genera PR.
Nov 26, 2025	Proposed contract submitted to the Puerto Rico Energy Bureau (Negociado de Energía) for evaluation.
Dec 11, 2025	Puerto Rico Energy Bureau approves the contract by Resolution in Case No. NEPR-MI-2024-0005.
Jan 16, 2026	PREPA submits the proposed contract to the Financial Oversight and Management Board (FOMB) for review under its contract-review policy.
Jan 21, 2026	FOMB issues its first Request for Information; PREPA and 3PPO respond on Jan 28, 2026.
Feb 13, 2026	FOMB issues a second RFI seeking additional contractual, technical, and financial clarifications; PREPA and 3PPO respond on Feb 28, 2026.
Mar 26, 2026	FOMB requests further information on Power Expectations' financial capacity and financing structure.
Mar 27, 2026	Supplementary financing information prepared for Power Expectations, including a receivables-backed credit facility to support project financing.

Date	Milestone / Activity
Apr 1, 2026	Power Expectations reports an estimated project cost of approximately $1.18 billion through the Commercial Operation Date, used in evaluating the performance and payment bond requirement.
Apr 2026	Interagency coordination among FOMB, PREPA, the Energy Bureau, and P3A addresses alternate fuel, diesel operating price, deployment schedule, guarantees, and force majeure provisions.
Apr – May 2026	3PPO coordinates final contract negotiations covering deployment milestones, progress reporting, penalties, bonding, force majeure, LNG/diesel operation, payments for energy delivered, and termination/demobilization terms.
May 8, 2026	FOMB issues a communication addressing the contract review and the conditions resolved through the subsequent contractual revisions.
Jun 2, 2026	FOMB approves the final execution version of the Contract.
Jun 10, 2026	Power Purchase and Operating Agreement executed as Contract No. 2026-P0010 among PREPA (buyer) and Power Expectations LLC, Enchanted Rock LLC, and Reyes Contractor Group, Inc. (seller/SPV).
Jun 11, 2026	Contract registered with the Office of the Comptroller (Registration No. 1855468), naming PREPA Executive Director Mary C. Zapata Acosta as PREPA's representative.

B. Post-Execution Implementation and Contract Administration

Following execution, contract administration has centered on three issues: a substitution within the project's Special Purpose Vehicle, an interconnection capacity dispute with LUMA that was resolved by capping initial installed capacity, and Power Expectations' compliance with contractual milestones — including a still-undelivered Payment and Performance Bond.

Date	Milestone / Activity
Jun 12, 2026	Power Expectations executes an Assignment and Assumption Agreement substituting Flotek Industries, Inc. for Enchanted Rock, LLC within the project's Special Purpose Vehicle.
Jun 17, 2026	Power Expectations formally notifies ReComS of the substitution and requests PREPA's consent under Article XVI of the Contract; represents that it anticipates no difficulty delivering the required performance bond.
Jun 19, 2026	Reyes Contractor Group, on behalf of Power Expectations, submits interconnection RFIs to PREPA, Genera PR, and LUMA regarding the technical characterization of the interconnection point(s) and maximum firm capacity at Aguirre.
Jun 22, 2026	Meeting with LUMA; Power Expectations is asked to submit a formal proposal identifying its preferred interconnection point (115 kV or 230 kV).
Jun 24, 2026	LUMA notifies PREPA of interconnection concerns, including that the 90–150 day deployment period had not been discussed with LUMA prior to contract execution.
Jun 25, 2026	PREPA directs ReComS to address LUMA's concerns directly with Power Expectations.
Jun 29, 2026	Power Expectations/Reyes submit a Technical Interconnection Point Proposal to LUMA, proposing a base case of the full 400 MW at Aguirre's 230 kV switchyard.
on/about Jul 1, 2026	Contractual deadline (15 business days after contract execution) for delivery of the Payment and Performance Bond passes without delivery.
Jul 6, 2026	Power Expectations, through counsel, submits a formal Notice of Delay requesting an extension of all Exhibit G milestones and the Commercial Operation Date, tied to completion of LUMA's interconnection studies.
Jul 13, 2026	Power Expectations submits Milestone Compliance Report No. 1, covering June 22 – July 6, 2026.
Jul 14, 2026	Joint site visit at Aguirre with representatives of LUMA and Genera PR.
Jul 15, 2026	PREPA formally denies Power Expectations' extension request, reaffirming that the delivery schedule was a material element of the procurement, that time remains of the essence, and that interconnection coordination is Power Expectations' contractual responsibility.
Jul 16, 2026	FOMB issues a new Request for Information covering contract status, the performance bond, interconnection studies, and milestone compliance.
Jul 19, 2026	Conceptual Engineering Design Basis Memorandum, Revision 1, issued for the Aguirre installation.
Jul 20 – Aug 3, 2026	Reporting period of Milestone Compliance Report No. 3: Milestones A (50 MW), B (150 MW cumulative), C (400 MW cumulative), and D (Commercial Operation Date) are each reported at 0% completion, with zero variance shown from the schedule reflected in that report.
Jul 27, 2026	LUMA advises Power Expectations may connect at the 230 kV point without issue, and at 115 kV only if capacity is available; Power Expectations indicates it will need additional 115 kV capacity.

Date	Milestone / Activity
Jul 29, 2026	Meeting among PREPA, P3A, ReComS, and Power Expectations; the substitution request is formally submitted, and P3A's Executive Director advises that a change in seller identity does not constitute a Force Majeure event under the Contract.
Jul 30, 2026	ReComS issues a due-diligence memorandum recommending approval of the Flotek Industries substitution, conditioned on delivery of outstanding administrative documentation.
Jul 31, 2026	PREPA grants written consent to the Enchanted Rock → Flotek Industries substitution. Consent is expressly limited to the assignment and does not alter price, scope, schedule, guarantees, or PREPA's rights and remedies.
Aug 3, 2026	PREPA, P3A, ReComS, LUMA, and Power Expectations reach agreement limiting the project's initial installed capacity to 434 MW in the aggregate (up to 42 MW at Aguirre's 115 kV bus and up to 392 MW at the 230 kV bus, replacing existing out-of-service units) — allowing interconnection without a full LUMA System Impact Study or Facility Study, provided capacity limits are respected.
Aug 3, 2026	Power Expectations submits Milestone Compliance Report No. 3 for the time period above, reflecting 0% completion on all four contractual milestones.
Aug 4, 2026	Joint site visit at Aguirre; Power Expectations, Reyes Contractor Group, and Flotek Industries submit a proposal to Genera PR and PREPA to utilize and redevelop identified areas at Aguirre — approximately 290 MW of baseline capability, potentially up to ~390 MW under an expanded scenario involving relocation of a San Juan Unit 8 transformer.
Aug 5, 2026	PREPA confirms the Aug 3 interconnection agreement in writing. Separately, ReComS issues a formal notice to Power Expectations that the Performance Bond remains undelivered and that PREPA will exercise all contractual remedies it deems necessary if the bond is not received by Aug 7, 2026 (the notice does not, at this stage, constitute a notice of termination).
Aug 5, 2026	PREPA and ReComS submit their formal written response to FOMB's July 16, 2026 RFI, documenting the status summarized above.

Part III — Current Status (as of August 5, 2026)

- Contract status: Executed June 10, 2026 and registered with the Office of the Comptroller (Registration No. 1855468); contractual administration and technical coordination with PREPA, LUMA, and Genera PR are underway.
- SPV composition: Power Expectations LLC (lead) and Reyes Contractor Group, Inc. remain contracting parties; Flotek Industries, Inc. has replaced Enchanted Rock, LLC as strategic technology partner, with PREPA's consent (July 31, 2026).
- Performance Bond: Contractually due on or about July 1, 2026; not delivered as of August 5, 2026. Power Expectations has expresed the delivery time and expected by August 7, 2026. ReComS's August 5, 2026 notice states PREPA will exercise contractual remedies if the bond is not received by that date; the notice does not, at this stage, constitute a notice of termination.
- Interconnection: An August 3, 2026 agreement caps the project's initial installed capacity at 434 MW (42 MW at Aguirre's 115 kV bus; 392 MW at the 230 kV bus), allowing interconnection without a full LUMA System Impact Study or Facility Study. A formal interconnection agreement with LUMA remains pending execution; weekly coordination meetings resume the week of August 10, 2026.
- Milestone compliance: Per Milestone Compliance Report No. 3 (period ending August 3, 2026), Milestones A (50 MW, Day 70), B (150 MW cumulative, Day 87), C (400 MW cumulative, Day 146), and D (Commercial Operation Date) are each reported at 0% completion.
- Commercial Operation Date: PREPA's current target remains November 4, 2026. PREPA denied Power Expectations' July 6, 2026 request to extend this date and all Exhibit G milestones (denial issued July 15, 2026); no schedule adjustment has been approved.
- Oversight: The Financial Oversight and Management Board issued a Request for Information on July 16, 2026, covering the substitution, the performance bond, interconnection studies, and milestone compliance; PREPA and ReComS submitted their formal response on August 5, 2026.