mczapata23@outlook.com

From:	Maria Reyes-Robles
Sent:	Thursday, November 20, 2025 5:35 PM
To:	ocarlo@carlolaw.com
Cc:	Mary C Zapata-Acosta; Colón Ortiz, Josué A. (AAPP); Alexis G. Rivera-Medina; lionel.santa@p3.pr.gov
Subject:	Status of Contract Negotiations and Submission of Draft Contract RFP 3PPO-0314-20-TPG2
Attachments:	Status of Contract Negotiations and Submission of Draft Contract RFP 3PPO-0314-20-TPG2.pdf

Good evening, Mr. Carlo:

Attached is a letter from Mary C. Zapata Acosta, Chief Executive Officer of the Puerto Rico Electric Power Authority, regarding Status of Contract Negotiations and Submission of Draft Contract RFP 3PPO-0314-20-TPG2.

We would kindly appreciate your confirmation of receipt of this communication.

Cordially

Maria Reyes-Robles
Asesora Ejecutiva

ELECTRIC POW

Phone: 787-521-4668
Email: MARIA.REYES@prepa
Visit our website: https://aeep
1110 Ave. Ponce de León, San

PUERTO RICO
ELECTRIC POWER AUTHORITY
PREPA
GOVERNMENT OF PUERTO RICO

Mary C. Zapata Acosta
Executive Director

November 20, 2025

Via Email
ocarlo@carlolaw.com

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

Dear Mr. Carlo:

Re: Status of Contract Negotiations and Submission of Draft Contract
RFP 3PPO-0314-20-TPG2

The Puerto Rico Electric Power Authority (PREPA) acknowledges receipt of the draft contract corresponding to Power Expectations, LLC submitted to PREPA by the Third-Party Procurement Office (3PPO) on November 17, 2025, for review and approval. PREPA is currently evaluating the draft agreement, fully aware of the importance of this matter to Puerto Rico's electric system.

However, PREPA has not received from the 3PPO any written report or documentation regarding the results of the negotiations conducted with the selected proponents, or at minimum, with the proponent whose contract has now been submitted for PREPA's consideration, Power Expectations. Such information is essential for PREPA to conduct its evaluation of the proposed agreement.

This requirement is not discretionary. Under Resolution No. 5213 of PREPA's Governing Board, the Board expressly determined that, *should negotiations with any proponent result in material modifications to the terms or conditions of the selected proposals, the matter must be resubmitted to the Governing Board for further review and approval prior to execution*. Accordingly, PREPA must understand the full scope and outcome of the negotiation process in order to comply with this directive.

In addition, the email communication received from the 3PPO indicates that the remaining proponents are still undergoing negotiation and that additional contracts *may* be finalized and submitted to PREPA "immediately" if negotiations are successful. For PREPA's planning and compliance purposes, the 3PPO must clarify:

1. The status and outcome of negotiations with all selected proponents (Gothams LLC, Javelin Global Commodities and Power Expectations)

2. Whether PREPA should expect more than one draft contract as part of RFP 3PPO-0314-20-TPG2, and

3. How the 3PPO intends to proceed with the Power Expectations contract without knowing whether the remaining negotiations will result in finalized contracts or whether any commercial terms will materially differ among proponents.

This information is crucial for ensuring that the procurement remains consistent with the requirements of the Puerto Rico Energy Bureau, the statutory framework governing the process.

PREPA therefore respectfully requests that the 3PPO promptly provide a comprehensive report containing the information described above, together with any other information the 3PPO considers relevant. PREPA will continue its review of the submitted contract and, should any questions or clarifications be needed during this process, please do not hesitate to contact us.

Cordially,

Mary C. Zapata-Acosta
Executive Director

c Josué A. Colón Ortiz, Executive Director, P3A, josue.colon@p3.pr.gov
Alexis G. Rivera, General Counsel, PREPA, alexis.rivera@prepa.pr.gov
Lionel Santa, Counsel, P3A, lionel.santa@p3.pr.gov