mczapata23@outlook.com

From:	Alexis G. Rivera-Medina <alexis.rivera@prepa.pr.gov>
Sent:	Friday, January 16, 2026 7:34 PM
To:	Krizia Vásquez; laura.limbert@promesa.gov; Fausto J Hernández; jaime.elkoury@promesa.gov; pre@promesa.gov; contracts@promesa.gov; contractreview@promesa.gov
Cc:	Felix A Hernandez-Caban; Fabiola Rosa-Roldan; Claribel Vendrell-Ramos; Teresa Lomba-Rodriguez; procurement@recomspr.net
Subject:	Request for Review and Approval - PPOA - Power Expectations, LLC
Attachments:	Response to PREPA 01.15.26.pdf; Submission Questionnaire FOMB - Power Expectations, LLC.pdf; FOMB Executive Director Cover Letter to FOMB - Power Expectations, LLC.pdf

Good evening,

In accordance with the Financial Oversight and Management Board Contract Review Policy, as amended, the Puerto Rico Electric Power Authority (PREPA), hereby submits for your review and approval the PPOA, between PREPA and Power Expectations, LLC.

Additionally, access to the shared folder containing the Request for Proposal documents issued by the Third-Party Procurement Office (3PPO) is included.

PREPA-3PPO

PREPA's team is available to provide additional information if needed.

Regards,

PUERTO RICO
ELECTRIC POWER AUTHORITY
PREPA
GOVERNMENT OF PUERTO RICO

Mary C. Zapata Acosta
Executive Director

January 16, 2026

By Electronic Mail
jaime.elkoury@promesa.gov

Mr. Jaime A. El Koury
General Counsel
Financial Oversight and Management
Board for Puerto Rico
PO Box 192018
San Juan, Puerto Rico 00919-2018

Dear Mr. El Koury:

Re.: Request for Approval of the Power Purchase and Operating Agreement between the Puerto Rico Electric Power Authority and Power Expectations, LLC

In accordance with the Financial Oversight and Management Board for Puerto Rico (FOMB) Contract Review Policy, as amended, the Puerto Rico Electric Power Authority (PREPA) hereby submits for FOMB review and approval the Power Purchase and Operating Agreement (PPOA) between PREPA and Power Expectations, LLC (Power Expectations).

The Third-Party Procurement Office (3PPO) issued RFP No. 3PPO-0314-20-TPG2 for the procurement of up to 800MW of temporary emergency generation capacity. The PPOA submitted for approval is result of that RFP process and provides for 400 MW of Continuous Operating Power (COP) generation at the Aguirre site and/or the additional site, subject to the Power Availability requirements. For the Aguirre Power Plant, Power Expectations shall procure all Liquefied Natural Gas (LNG) required to operate the Temporary Power Generation Units. Power Expectations shall be responsible for LNG delivery, storage, regasification, associated infrastructure, and environmental and safety compliance.

The PPOA is consistent with the expense control policy and the proper use of public funds established by the Government of Puerto Rico. Funds are available to cover the obligations under the contract, and its execution will not result in a budgetary overdraft for PREPA. PREPA has complied with the applicable internal regulations and will continue to comply with all corresponding procedures and regulatory requirements related to the execution of the contract. To the best of our knowledge, no officer or public employee of PREPA has any direct or indirect pecuniary interest in the profits or benefits derived from this contract.

The granting of this contract complies with the provisions of Public Law No. 187 of June 30, 2016, known as the "Puerto Rico Oversight, Management and Economic Stability Act" (PROMESA), and the regulations and processes established by the FOMB regarding government contracting. The contractor has certified that they have read and are aware of the provisions of Law No. 1-2012, as amended, known as the "Puerto Rico Government Ethics Act of 2011," as well as the provisions of Law No. 2-2018, as amended, known as the "Anti-Corruption Code for a New Puerto Rico," and therefore, the granting of the contract does not represent a violation to any of their provisions.

We will appreciate FOMB's timely review and approval of this PPOA.

Cordially,

Mary C. Zapata Acosta
Executive Director

Enclosures

Contract Submission Questionnaire

1) Agency
   a) Agency Name: **Puerto Rico Electric Power Authority (PREPA)**
   b) Contact Name: **Alexis G. Rivera Medina**
   c) Contact e-mail: **alexis.rivera@prepa.pr.gov**
   d) Contact phone number: **787-521-4616**
   e) Person who will sign the contract on behalf of the agency: **Mary C. Zapata Acosta**
   f) State what statute, regulation, or resolution authorizes such person(s) to execute the contract on behalf of the agency: **Act 83 of May 2, 1941, as amended; PREPA's Rules Regarding Levels of Approval for Documents (*Norma Sobre Niveles de Aprobación de Documentos*)**

2) Contractor
   a) Name: **Power Expectations, LLC (Power Expectations)**
   b) Parent organization (if applicable): **N/A**
   c) Principals and principal stakeholders of the contractor and/or parent organization (if applicable): **See Attachment (Response to PREPA 01.15.26)**
   d) State of organization: **Puerto Rico**

3) Contract
   a) Type (disaster relief or other): **Power Purchase and Operating Agreement**
   b) Value: **$5,886,720,000**
   c) Service or products description: **Power Purchase and Operating Agreement**
   d) Timing (e.g., need processing by end of year before benefits expire): **FOMB's timely review and approval of this contract is critical to ensure the services.**
   e) New contract, amendment, or extension: **New contract**
   f) Language (Spanish or English): **English**
   g) Any related contracts (if applicable): **N/A**

4) Commonwealth Certified Budget Questions:

a) For each source, referencing the current year's **Certified Budget for the Commonwealth of Puerto Rico** ("Certified Budget"), please specify:

1. The line item from which this contract or amendment will be funded, and

All payments for Power Expectations will be charged to PREPA's budget account No. 01-2321-23235-000-000, Fuel & Purchased Power, Purchased Power - Conventional.

2. The dollar value to be drawn from the line item. **$5,886,720,000**

b) If more than one line item referenced from the **Certified Budget** will fund the contract or amendment, please specify:

1. Each line item, and,-

2. The dollar values to be drawn from each line item. Do not provide line items which do not appear in the Certified Budget or the total value of the line items as they appear in the Certified Budget.

c) Do the line items referenced above from the **Certified Budget** fully cover the cost of the contract or amendment? **The portion applicable to each FY.**

If the line items referenced do not fully cover the cost of the contract or amendment, which

line items from the Certified Budget will need to be reprogrammed? **N/A**

d) If the contract (in its original form or as amended) extends past the current fiscal year, does the **Certified Budget line item(s)** include the full cost of the contract or only the portion applicable to the current fiscal year?

The portion applicable to the current fiscal year.

ii. If only the portion applicable to the current Certified Budget, how much will be funded from the future budget?

5) Department or Agency Budget Questions:

a) Are the funds for the contract included in your agency's or department's budget?

Yes, all payments for Power Expectations fees will be charged to PREPA's budget account number 01-2321-23235-000-000, Fuel & Purchased Power, Purchased Power - Conventional.

i) If yes, in which allotment? Please specify (A) the line item(s) in the budget that this contract will be funded from (B) all accounts to be used for payments under the contract and (C) what other expenses have been committed or planned **for that budget item**.

b) Does your agency's or department's existing budget fully cover the cost of the contract?

The portion applicable to the current fiscal year.

If multiple line items, please specify the amount against each budget line

i) If not covered in the budget, which allotments need to be reprogrammed? **N/A**

c) If the contract extends past the current fiscal year, does the current budget line item include the full cost of the contract or only the portion applicable to the current budget time period? **N/A**

i) If only the portion applicable to the current budget, how much will be funded from the future budget? Are the budget line items the same and are there sufficient funds within those? Please provide supporting evidence. **N/A**

d) Is the source of the funds for the contract or amendment the General Fund ("GF"), Special Revenue Funds ("SRF"), federal funds ("FF") Federal Reimbursement ("FR") or Federal Grant Funds ("FGF")? **General Fund**

i) If the contract or amendment will be funded using multiple sources, please specify:

1. Each of the sources from which this contract or amendment will be funded, and

2. The dollar value to be drawn from each source.

ii) If SRF will fund a portion or all of the contract or amendment, please specify the dollar value of all SRF revenues that your agency or department has collected to-date in the current fiscal year. <u>Do not provide SRF revenue projections</u>.

e) Does your agency's or department's existing budget fully cover the cost of the contract?

If multiple line items, please specify the amount against each budget line

i) If not covered in the budget, which allotments need to be reprogrammed?

f) If the contract extends past the current fiscal year, does the current budget line item include the full cost of the contract or only the portion applicable to the current budget time period?

i) If only the portion applicable to the current budget, how much will be funded from the future budget? Are the budget line items the same and are there sufficient funds within those? Please provide supporting evidence.

6) Fiscal Plan Questions

a) Is the contract consistent with the applicable Fiscal Plan?

The contract is consistent and compliant with elements of the certified fiscal plan that confirm PREPA's efforts to complete the transformation of the electrical system.

b) Does the contract constitute separate and additional disaster aid spending?

N/A

i) Will the contract be partially or fully federally funded?

N/A

7) RFP information

(1) Name: **RFP No. 3PPO-0314-20-TPG2**

(2) Issue date: **July 15, 2025**

(3) Due date: **August 6, 2025**

(4) Award date: **September 5, 2025**

(5) Applicable RFP rules and regulations: **The 3PPO conducted its evaluation in accordance with procurement standards and the criteria established in the revised solicitation.**

(6) Amendments (Yes or No): **N/A**

(7) Description of efforts undertaken to advertise the RFP: **Power advocate platform**

8) Documentation

Are all the following documents included in the submission? For any documents not included in the submission, please provide explanation as to why not.

	Document	Yes	No	Document Reference
1.	Agency Certification Requirement	**X**		
2.	Contractor Certification Requirement	**X**		
3.	A formal estimate of the impact that the contract will have on compliance with the certified Fiscal Plan			**N/A**
4.	Recommendation to award memo or other document containing rationale for the award	**X**		
5.	Copy of final contract	**X**		
6.	Fund Availability Certification for all accounts to be used for payments under the proposed contract or amendment (as attached herein).			**N/A**
The following documents are only applicable to contracts relating to funding and reimbursements for disaster aid spending.				
7.	Existing procurement policies			
8.	RFP package issued			
9.	Documentation regarding advertising of RFP			
10.	Internal independent cost estimate prepared as part of issuing the RFP			
11.	Evaluation criteria			
12.	Copies of the responses to RFP received			
13.	Copies of correspondence with bidder (A&A, BAFO discussions, etc.)			

14.	Names of individuals who are part of the evaluation team(s)			
15.	Proposed evaluation and scoring records			
16.	Any other information, communications, or documentation that helps support or explain the procurement and resulting contract			

Power Expectations

January 15, 2026

Mary C. Zapata Acosta
Executive Director
PO Box 364267,
San Juan, Puerto Rico 00936-4267

Re: NEPR-MI-2024-0005 - Temporary Emergency Power Generation

Dear Mrs. Zapata:

Pursuant to your letter dated January 14, 2026, and in accordance with the Financial Oversight and Management Board's (FOMB) Contract Review Policy, we hereby provide the requested information. To ensure full compliance with your request, we have applied the definitions as set forth in your letter, as follows:

1- **"Principals" shall mean persons and entities that have full authority to act on behalf of each contractor.**

No entity shall possess 'full authorization' nor be empowered to act on behalf of Power Expectation for the duration of this contract. For the sake of clarity and completeness, we hereby disclose the names of the entities comprising the special purpose vehicle, as submitted to 3PPO in connection with the request for proposal.

The special purpose vehicle established for the execution of the contract comprises the following entities:

- Power Expectation, LLC : Financial and Project Management
- Reyes Contracting, LLC: Civil work
- Enchanted Rock : Will perform the interconnections and EPC management

2- **"Principal stakeholders" shall mean all entities or individuals with an ownership or membership interest, as the case may be, equal to or higher than ten percent (10%) in a contractor.**

For abundance of transparency, we shall consider the following companies as "contractors" and we are providing the names of entities and individuals with an ownership or membership interest, equal to or higher than ten percent (10%) in a contractor.

- Power Expectation, LLC
  - Landon Gallagher
  - Terranova, LLC
  - Alternate Solutions, LLC
  - Consulting Group FH, LLC
  - Eddie Echevarria

- Reyes Contracting, LLC
  - Denise Reyes

- Enchanted Rock
  - John Carrington
  - Dan Brouillette
  - Mark Patterson
  - Apollo Global Management
  - Thomas McAndrew

We have included a copy of the FOMB Certification as submitted to 3PPO on December 12, 2025.

Cordially,

Landon Gallagher
Chairman of the Board

c Josue A. Colón Ortiz, Executive Director, P3A: josue.colon@p3.pr.gov
Osvaldo Carlo, Esq., President; 3PPO; ocarlo@carlolaw.com

Power Expectations

FOMB CERTIFICATION

The undersigned, as President of the Board of Power Expectation LLC ("PE"), a Puerto Rico limited liability company, in connection with the proposed Temporary Power Generation contract ("Contract") to be executed between PE and the Puerto Rico Electric Power Authority, hereby certifies to the and the Commonwealth's Contracting Government Entity and the Oversight Board in compliance with the "FOMB Policy the following responses:

1. PE's subcontractors in connection with the Contract are:

- **Reyes Contracting, LLC: Civil work required to install the turbines and energy generators' equipment**
- **Enchanted Rock : Will perform the interconnections and EPC management**
- **Sapphire Gas Solution, LLC: Will assemble of the gasification plant and supply gas**
- **Innovation Solutions Group, LLC: Will provide turbine maintenance and repair services**

Power Expectation ("PE") confirms that it has no intention to engage any subcontractors for the performance of any other obligations assigned to PE under the PPOA Agreement. Upon completion of construction and commencement of operations, PE may procure fuel, replacement components, and other necessary materials from third-party vendors in the ordinary course of business. Notwithstanding such procurement activities, PE does not anticipate subcontracting, delegating, or otherwise transferring any responsibilities expressly set forth in the PPOA Agreement to any third party.

2. Neither PE nor any of its owners, partners, directors, officials or employees, has agreed to share or give a percentage of PE's compensation under the contract to, or otherwise compensate, any third party, whether directly or indirectly, in connection with the procurement, negotiation, execution or performance of the contract; except as follows: **We certified and confirmed the statement**

3. To the best knowledge of the signatory (after due investigation), no person has unduly intervened in the procurement, negotiation or execution of the contract, for its own benefit or that of a third person, in contravention of applicable law. **We certified and confirmed the statement**

4. To the best knowledge of the signatory (after due investigation), no person has: (i) offered, paid, or promised to pay money to; (ii) offered, given, or promised to give anything of value to; or (iii) otherwise influenced any public official or employee with purpose of securing any advantages, privileges or favors for the benefit of such person in connection with the contract (such as the execution of a subcontract with contractor, beneficial treatment under a contract, or the written or unwritten promise of a gift, favor, or other monetary or non-monetary benefit).

We certified and confirmed the statement

5. Neither PE, nor any of its owners, partners, directors, officials or employees or, to the best of its knowledge (after due investigation), its representatives or sub-contractors, has required, directly or indirectly, from third persons to take any action with the purpose of influencing any public official or employee in connection with the procurement, negotiation or execution of the contract, in contravention of applicable law.

We certified and confirmed the statement

6. Any incorrect, incomplete or false statement made by the contractor's representative as part of this certification shall cause the nullity of the proposed contract and the contractor must reimburse immediately to the Commonwealth any amounts, payments or benefits received from the Commonwealth under the proposed contract.

"I hereby certify under penalty of perjury that the foregoing s complete, true and correct"

IN WITNESS WHEREOF, the undersigned executes this Certification this **12th day of December of 2025**.

Power Expectations, LLC

Landon Gallagher,
Chairman of the Board
Date: December 12, 2025

Landon Gallagher