mczapata23@outlook.com

From:	Magda Brito-Rivera
Sent:	Thursday, July 16, 2026 7:22 PM
To:	eechevarria@powerexpectations.com
Cc:	Mary C Zapata-Acosta; Colón Ortiz, Josué A. (AAPP); Santa Crispín, Lionel (AAPP); Alexis G. Rivera-Medina; lgallagher@powerexpectations.com; carlos.andreucollazo@gtlaw.com
Subject:	Request for Information Regarding Proposed Assignment and Assumption Agreement
Attachments:	PREPA to PowerExpectation-RFI Proposed Assignment nd Assumption Agreement.pdf

Good night, Mr. Echevarría:

Attached is a letter from Mary C. Zapata Acosta, Chief Executive Officer of the Puerto Rico Electric Power Authority, regarding Request for Information Regarding Proposed Assignment and Assumption Agreement.

We would appreciate your confirmation that you have received this communication.

Cordially,

Magda Brito-Rivera
Asesora Ejecutiva

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PUERTO RICO
ELECTRIC POWER AUTHORITY
PREPA
GOVERNMENT OF PUERTO RICO

Mary C. Zapata Acosta
Executive Director

July 16, 2026

By Electronic Mail
eechevarria@powerexpectations.com

Mr. Eddie Echevarría
Chief Executive Officer
Power Expectations, LLC
Marginal Villamar 9
Manzana CE Local 1
Carolina, PR 00979

Dear Mr. Echevarría:

Re: Request for Information Regarding Proposed Assignment and Assumption Agreement

Reference is made to the Power Purchase and Operating Agreement (PPOA) dated June 10, 2026, entered into by and among Power Expectations, LLC (Power Expectations), Reyes Contractor Group, Inc. (Reyes Contractor), Enchanted Rock, LLC (Enchanted Rock), and the Puerto Rico Electric Power Authority (PREPA). This letter concerns the proposed Assignment and Assumption Agreement (Assumption Agreement) referenced in your recent communications regarding the substitution of Enchanted Rock with Flotek Industries, Inc. (Flotek).

MCZA PREPA acknowledges receipt of the correspondence dated July 9, 2026, submitted by Greenberg Traurig, LLP (Greenberg), acting in representation of Power Expectations, to PREPA (July 9 Letter). The July 9 Letter states that, pursuant to Article XVI of the PPOA, the Seller has requested PREPA's approval of the proposed assignment and that, as of the date of that communication, PREPA had not yet issued its approval. Contrary to the statements contained on July 9 Letter, PREPA has not received a formal request seeking PREPA's prior written consent pursuant to Article XVI of the PPOA, nor has PREPA received the Assumption Agreement or the supporting documentation necessary to evaluate such request.

In regards of the proposed assignment, in addition to the July 9 Letter, PREPA has only received a copy of the correspondence dated June 17, 2026, submitted by Power Expectations to the Puerto Rico Public-Private Partnerships Authority's Third-Party Procurement Office (3PPO) (June 17 Letter). Power Expectations sent the June 17 Letter to 3PPO in response to a Request for Information (RFI) dated June 16, 2026, concerning the proposed substitution of Enchanted Rock and the related Assumption Agreement. Therefore, as the June 17 Letter was an RFI response correspondence to the 3PPO, it

does not constitute a formal request for PREPA's approval of the Assumption Agreement, according to the PPOA.

Article XVI of the PPOA expressly requires that any request for PREPA's consent be submitted directly to PREPA, as the Buyer under the PPOA, for its review and determination. While the 3PPO administered the competitive procurement process that resulted in the execution of the PPOA, it is not a party to the PPOA. Accordingly, communications or submissions made to the 3PPO cannot substitute for, satisfy, or otherwise constitute compliance with the contractual procedure established in Article XVI for obtaining PREPA's prior written consent.

As of the date of this letter, PREPA has not been furnished with the complete record relating to the proposed assignment. Based on the information currently available, PREPA understands that substantive communications concerning the proposed substitution have occurred primarily between the Seller and the 3PPO. Consequently, PREPA lacks the complete factual and documentary record necessary to perform the review contemplated by Article XVI of the PPOA.

Furthermore, the June 17 Letter demonstrates that the 3PPO requested additional information regarding the proposed substitution and assignment and that Power Expectations submitted a substantive response addressing that request. The contents of that correspondence further indicate that additional communications and exchanges of information have occurred between Power Expectations and the 3PPO concerning this matter.

Accordingly, PREPA hereby requests that Power Expectations provide, no later than five (5) Business Days from receipt of this letter, complete copies of all communications, correspondence, submissions, requests, electronic mail communications, and any other documents exchanged with the 3PPO, relating to the proposed substitution of Enchanted Rock, the proposed assignment of the PPOA, and the proposed inclusion of Flotek. Until PREPA receives the requested information and completes its review, PREPA is unable to determine whether the proposed transaction satisfies the requirements of Article XVI or whether the proposed assignee possesses the technical, financial, operational, and legal qualifications required under the PPOA.

The proposed transaction involves the substitution of Enchanted Rock, one of the original Seller entities that participated in the competitive procurement process and whose technical expertise, operational experience, financial capabilities, and contractual commitments formed part of the proposal evaluated during the Request for Proposals (RFP) process and ultimately accepted. Consequently, PREPA's review under Article XVI is not limited to determining whether the procedural requirements for an assignment have been satisfied. Rather, PREPA must also evaluate whether the proposed assignee possesses qualifications, technical capabilities, financial strength, operational experience, and resources that are at least equivalent to those of the original contracting party and whether the proposed substitution is otherwise consistent with the assumptions, representations, and evaluation criteria that formed the basis for the award of the RFP. The Seller's submission of a proposed assignment, standing alone, does not entitle it to

PREPA's consent, nor does it limit PREPA's contractual discretion under Article XVI to approve, condition, or deny such request after completing its review.

PREPA further notes that the June 17 Letter submission to the 3PPO states that the Assumption Agreement "was executed on June 12, 2026", while simultaneously requesting PREPA's written consent pursuant to Article XVI of the PPOA. This chronology appears to indicate that the Assumption Agreement may have been executed before PREPA was afforded the opportunity to review the proposed transaction and determine whether to grant or withhold its prior written consent as expressly required under Article XVI of the PPOA. PREPA notes this apparent inconsistency without reaching any conclusion at this time, as PREPA has not yet been provided with the complete record or the underlying documentation necessary to evaluate the circumstances surrounding the proposed assignment.

Nothing contained herein shall be construed as a waiver of any rights, remedies, claims, defenses, or contractual protections available to PREPA under the PPOA or applicable law, all of which are hereby expressly reserved.

PREPA expects your full cooperation in promptly providing the requested information so that it may complete its review and determine the appropriate course of action under the PPOA.

Cordially,

Mary C. Zapata Acosta
Executive Director

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