PUERTO RICO
ELECTRIC POWER AUTHORITY
PREPA
GOVERNMENT OF PUERTO RICO

Mary C. Zapata Acosta
Executive Director

August 14, 2026

By Electronic Mail
ocarlo@carlolaw.com

Mr. Osvaldo Carlo Linares, Esq.
President
Regulatory Compliance Services Corp.
San Juan, PR

Dear mister Carlo Linares:

Re: Unauthorized Representation of the Puerto Rico Electric Power Authority

The Puerto Rico Electric Power Authority (PREPA) writes regarding the communication dated August 9, 2026, submitted by Regulatory Compliance Services Corp. (ReComS) to the Financial Oversight and Management Board for Puerto Rico (FOMB) in response to its letter dated August 7, 2026. The August 9 communication states that ReComS was writing on behalf of PREPA and ReComS.

PREPA hereby clarifies that ReComS was not authorized to submit that communication on PREPA's behalf. PREPA has not granted ReComS or its representatives, authority to speak for, represent, or communicate the institutional position of PREPA in connection with this matter.

Moreover, the August 9 communication was neither discussed with PREPA nor submitted to PREPA for its review or approval before it was transmitted to the FOMB. PREPA therefore did not review, approve, or authorize the statements and positions contained in that communication. This is particularly concerning because much of the information set forth in the communication had not previously been provided to PREPA, even though ReComS states that it had been aware of the allegations since June 17, 2026.

ReComS is hereby directed to immediately cease and desist from representing, expressly or implicitly, that it is authorized to communicate on behalf of PREPA, unless PREPA has provided prior express written authorization for the specific communication at issue. Any future communication concerning PREPA must accurately reflect the capacity in which ReComS is acting and must not attribute any statement, position, representation, or commitment to PREPA without PREPA's prior express written approval.

This letter is not intended to address the merits of the matters discussed in the August 9 response, nor is it intended to evaluate or pass judgment on the work performed by ReComS in connection with those matters. Its purpose is limited to clarifying ReComS's lack of authority to submit that response on PREPA's behalf and to prevent any further unauthorized representation of PREPA.

In particular, ReComS shall clarify the record regarding its allegation in the 3PPO's official report submitted to P3A on August 8, 2026, stating that PREPA formally consented the substitution of Enchanted Rock, LLC with Flotek Industries, Inc. (Flotek) on July 31, 2026, based on an understanding that such authorization did not resolve the private controversy between Power Expectations, LLC and Enchanted Rock/ERock. PREPA provided its consent to this substitution solely based on 3PPO's recommendation for approval of the proposed assignment/substitution of Flotek for Enchanted Rock, LLC dated July 30, 2026. PREPA could not base its consent on "an understanding that such authorization did not resolve the private controversy between Power Expectations, LLC and Enchanted Rock/ERock", because PREPA did not have any knowledge of such controversy until August 7, 2026.

PREPA requests that ReComS acknowledge receipt of this letter and confirm that it will comply with the foregoing directive.

Cordially,

Mary C. Zapata Acosta
Executive Director

c: Mr. Robert F. Mujica, Executive Director, FOMB, robert.mujica@promesa.gov
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