

Tranche 4 RFP Issued: Expedited Timeline And Submission Guidelines

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PRACTICE AREAS

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The procurement process for renewable energy projects in Puerto Rico, executed by the Puerto Rico Energy Bureau (PREB) as part of the Integrated Resource Plan (IRP), involves several phases of solicitation and contracting of renewable energy and storage resources. Over six tranches, the process aims to bring 3,750 MW of renewable energy and 1,500 MW of energy storage online through competitive Requests for Proposals (RFPs). The PREB has announced the cancellation of Tranche 3 due to unsustainable pricing for the residents of Puerto Rico and has launched an expedited and recalibrated Tranche 4 solicitation.

As with previous tranches, the Tranche 4 RFP will be conducted by Accion Group, LLC, the PREB Independent Coordinator (PREB-IC). The RFP will be conducted on the PREB-IC website, which is currently open for proposals. Prior to submitting a proposal for Tranche 4, bidders must first submit a Request for Interconnection for each proposed project through the new Interconnection Request Queue website by no later than November 7, 2024. Once the Study Fees are remitted and the Request for Interconnection is submitted, bidders will receive a Submittal ID, which is required to start a Tranche 4 proposal.

Eligible Bid Types:

- Renewable resources for a 25-year term
- Standalone Battery Energy Storage Systems (“BESS”) for a 20-year term, managed by LUMA, Puerto Rico’s transmission and distribution system operator
- Co-located renewable resources with standalone BESS, with separate contracts for energy production and storage

Minimum Requirements:

- Confirmed site control
- Viable financing plan
- Plan to begin commercial operations to begin within 2 years of contract execution

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- Proven experience in financing, construction, and operation of similar projects
- Pricing, without escalation, is required to be no greater than:
 - \$125/MWh for renewable resources
 - \$25,000/MW-month for 4-hour energy storage systems
 - \$33,750/MW-month for 6-hour energy storage systems
- Firm and final pricing (no refresh opportunity)

Key Dates for Tranche 4 Solicitation:

- October 24, 2024: Tranche 4 RFP is issued and opening of both the Interconnection Request Queue and Tranche 4 websites
- November 7, 2024: Closing of the Interconnection Request Queue
- November 25, 2024: Proposal submission deadline (by noon AST)
- December 31, 2024: Submission of accepted contracts to PREB for approval

Registration and Submission Process:

- Bidders who submitted proposals in Tranche 3 can log on to the Interconnection Request Queue site with their Tranche 3 login information. All registrations on the Tranche 3 website have been transferred to the Tranche 4 website. Tranche 3 proponents have the option to receive a refund of Facility Study and Network Upgrade Study fees or apply those fees to a resubmitted Request for Interconnection.
- Bidders who submitted proposals in Tranche 1 and 2 must register on the Interconnection Request Queue website, begin a new proposal, and enter all data to submit an Interconnection Request.
- Interested parties not previously registered must register on the Tranche 4 website to participate and receive further information.

Further details regarding the RFP and interconnection process can be found at the Interconnection Request Queue and Tranche 4 websites.

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