

My name is Gary C. Smith :

I am the managing partner for IEC . This is my fourth E:mail to the task force regarding PREPA .

I do not know if your staff is tracking day to day activities in Puerto Rico .

I decided to forward to the them this information for review .

PREPA ,Aguirre power plant was shutdown by a fire . It is clear that PREPA was unprepared to provide emergency back up power . This is a standard requirement for all Electric Utility providers.

Please read the request from Resident Commissioner Pedro Pierluisi to FEMA & USDOE for assistance .

Also please read the statement in todays Caribbean News from the Manufacturers Association ( Privatization would improve energy service ) .

Had PREPA moved from Oil fired Generator's to LNG fire turbines years ago ,it would have had the old Oil fired plants as standby back up for Emergency needs. In stead PPREPA chose to line the pockets of appointed special interest appointees Labor Unions & Incompetent Management.

Not once has PREPA demonstrated why it should be entrusted by the Citizens ,or rate payers to provided Dependably , Reliable , Cost Effective & Honest Electric Power .

Once again Puerto Rico is compiled to ask the Federal Government to step in . The Commion Wealth is now suffering from years of Political mismanagement , & the clear failure of proper planning .

Any free enterprise power provider would have had to cover this need ,or face going out of business.

On the other hand Government Monopolies never go broke , they just increase rates .

Give the Citizens of Puerto Rico a chance to receive : Clean, Dependably, Cost Effective & Honest Electric Power.

This will case a ripple effect across the Island. The PRASA would be able to lower there rates & modernize there plants.

Every Enterprise in the Common Wealth depends upon Electric power. The cost for the power is a real part of there operating cost . This cost must be recovered within there sale price. What if the cost was Lower & Reliable ? This would case there products to be more completeive & provide a lower cost of living for the Citizens of the Island.

This is not Rocket Science ! Bask Economic 101:

Last but not the least . If PROMESA will request firm proposals from qualified Power Providers to present complete detailed & comprehensive proposal : That will show how to replace PREPA Oil fired Power with LNG fuel Turbines , Plan to retire existing PREPA bonds , Operate & Manage with over site and rate regulation approval from the Puerto Rico Energy Regulatory and oversight Commission , that are lower and sustainable under a 40 year Power Purchase Agreement ( PPA ).

The proposal would outline any & all incentives to be offered to the winning proposal , as well as stating any and all restrictions to be included within the proposals.

The PROMESA Committee will receive numerous proposals to select from.

I do not know of any ligament firm that would offer anything for the existing PREPA due to the existing debt ,EPA requirements and huge cost to comply repower the existing system . This will included LNG fuel related cost , some type of debt retirement , new grid , and outer necessary upgrades. In addition how will the Common Wealth cover the cost of power provided to non paying intent's . There is no free lunch in a for profit enterprise.

Good luck with your 12/31/16 report.

Respectively

Gary C. Smith