

CP 13-193



COMMONWEALTH OF  
PUERTO RICO  
GOVERNOR

ALEJANDRO J. GARCÍA-PADILLA

OFFICE OF  
EXTERNAL AFFAIRS

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FEDERAL ENERGY  
REGULATORY COMMISSION

January 8, 2016

The Honorable Norman C. Bay  
Chairman  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

**RE: FERC Docket No. CP 13-193-00/Aguirre Offshore GasPort Project**

Dear Chairman Bay:

I write to you regarding the Aguirre Offshore GasPort Project (the "AOGP") application in the above referenced proceeding. As you know, the Commonwealth of Puerto Rico is at a critical juncture as it faces the greatest fiscal and economic crisis in its history. The conversion from fuel oil to natural gas envisioned in the AOGP will reduce electricity costs, improve economic competitiveness and achieve compliance with federal environmental regulations. However, the continued delay of the AOGP is harming Puerto Rico's economic growth prospects.

I appreciate that, in July 2015, the Federal Energy Regulatory Commission ("FERC") issued an authorization under Section 3 of the Natural Gas Act for the siting, construction and operation of the AOGP. However, FERC's authorization is subject to several conditions, permits and approvals. One of these conditions is the completion of any necessary consultations by FERC with the U.S. Fish and Wildlife Service ("FWS") and National Marine Fisheries Service ("NMFS") as required under Section 7 of the Endangered Species Act ("ESA"). I have been informed that these consultations have not begun in earnest because FERC has not submitted to NMFS the required Biological Assessment for the AOGP. This is causing major delays for the construction and delivery of the AOGP.

I am concerned with these delays due to looming environmental compliance deadlines. The conversion of the Aguirre power plant is necessary to comply with the Environmental Protection Agency's ("EPA") Mercury and Air Toxics Standards ("MATS"). The Aguirre power plant's deadline for complying with the MATS is April 2016, which already reflects a one-year extension. The conversion is also required to comply with the EPA's Clean Power Plan. FERC's Environmental Impact Statement recognized that the AOGP would reduce nitrogen oxide and sulfur dioxide emissions by 800 and 5,815 tons per year, respectively.

2014-00015

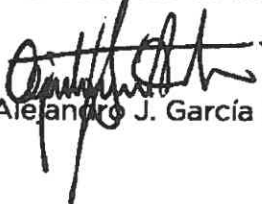
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Non-compliance with MATS could force PREPA to choose between severe daily financial penalties or shutting down the Aguirre power plant. Neither option is viable. Because the Aguirre power plant generates a third of Puerto Rico's generation capacity, a shutdown would threaten reliability of the entire power grid and cripple our economic recovery. I respectfully ask FERC to expedite the presentation of the Biological Assessment for purposes of initiating the formal consultation process under Section 7 of the ESA.

I appreciate FERC's interest in promoting reliable and efficient energy infrastructure in Puerto Rico. I look forward to your consideration of my request.

Cordially,

The Governor of the Commonwealth of Puerto Rico,



Alejandro J. García Padilla