



August 13, 2010

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TAX AND ENVIRONMENTAL, ENERGY AND LAND USE PRACTICE GROUP'S WEBCAST

SIGNIFICANT DEVELOPMENTS AFFECTING GREEN ENERGY GENERATION IN PUERTO RICO

On July 19, 2010, the Puerto Rico government enacted a series of measures that will have a profound influence on the development of green energy generation sources in Puerto Rico. First, the government enacted the "Sustainable and Alternative Renewable Energy Diversification Public Policy Act," which encourages the development of sustainable and alternative renewable energy in Puerto Rico by establishing a renewable portfolio standard that imposes green energy sales percentage requirements on the Puerto Rico Electric Power Authority, as well as other retail energy providers on the Island, over the next quarter of a century. Second, the government enacted the "Puerto Rico Green Energy Incentives Act," which also encourages the generation of sustainable and alternative renewable energy through the use of short, medium and long-term economic incentives. Third, the Governor of Puerto Rico issued Executive Order No. 2010-0134, an order which requires all executive branch agencies to follow an expedited permitting process when considering permit applications for sustainable and alternative renewable energy projects.

In addition, the Puerto Rico Planning Board recently adopted a new regulation, known as the "Regulation for the Location, Construction, Installation and Operation of Wind Energy Generation Systems," which is currently pending the Governor's final approval.

McConnell Valdés LLC hosted a live Webcast on August 13, 2010, and discussed the most relevant implications these actions will have on green energy companies seeking to conduct business in Puerto Rico. The Puerto Rico Department of Economic Development and Commerce participated in this discussion and provided context for the government's new renewable energy policies. This discussion was complimentary for our clients and friends and was conducted in English by Members of our Tax and Environmental, Energy and Land Use Practice Groups.

For your convenience, a [recording of the webcast](#) and a copy of the [PowerPoint presentation](#) are now available for your review.

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