

Opening Statement Submission from Brannen McElmurray
President & CEO of Genera PR

Thank you for the opportunity to speak before the U.S. House Committee on Natural Resources on behalf of Genera PR (“Genera”). My name is Brannen McElmurray, and I have the pleasure of serving as the CEO and President of Genera. First, I want to emphasize that the entire Genera team understands the significant responsibility we undertake every day, which is to generate reliable energy for the people of Puerto Rico. We take this responsibility seriously. We appreciate the opportunity to share our objectives and to provide an update on our progress to this Honorable Committee.

Genera’s mission is to generate reliable, affordable, and clean energy to all of Puerto Rico. We understand that this is critical for both economic development and quality of life on the Island. Genera was founded in the wake of Hurricanes Maria and Fiona, two of the deadliest storms to hit Puerto Rico in recent memory.

After learning firsthand of Puerto Rico’s energy needs and the damage that these storms wrought to Puerto Rico’s electric grid, Genera took over the operation and management of the Puerto Rico Electric Power Authority’s (“PREPA”) existing generation assets to improve their capacity and resiliency. This means that Genera manages electricity generation, which is the process of creating energy whether it be

from fossil fuels, solar power, or wind turbines. Energy transmission is distinct from generation. Transmission is the process of transporting electricity from these generation sites to where it is needed on the Island.

Genera is made up of a seasoned team of executives and partners with extensive global and local power, fuel and operational experience. Collectively, we have direct experience with every single type of power plant technology that PREPA owns across the fleet.

If I can speak personally, my background is in engineering. I am a proud engineering graduate of the U.S. Naval Academy, and I have spent over two decades working in the energy sector. As both an engineer and an executive, I have expertise in leading companies through the energy transition space. I bring that expertise to Genera, and my team and I are deeply committed to stabilizing Puerto Rico's electric grid and delivering reliable, affordable, clean energy to the people of Puerto Rico.

At Genera, we started operating PREPA's legacy thermal generation fleet on July 1, 2023, just over a year ago. This fleet makes up approximately 60% of the generating capacity connected to the Puerto Rico grid. Independent thermal power producers, renewable energy providers, and publicly owned hydroelectric resources provide roughly 40 percent of that capacity. When Genera inherited administration of the PREPA fleet, we took over a set of generation assets that were roughly 30

years older than the electric power industry average in the United States, and issues related to the age and general obsolescence of the fleet continue to persist today. Over the last year, we have worked tirelessly to provide electric generation service with fewer interruptions, which we know is necessary to ensure that every family on the island has access to reliable power.

When structuring our operation and maintenance contract, we built it around four key priorities that we believe will improve and stabilize the electric generation system for all of Puerto Rico:

First, we aim to improve the reliability of power availability throughout the Island through continuous upgrades to the current fleet. Ensuring reliable power is fundamental to the success of Genera and we understand the importance of improving generation system reliability. Our team at Genera has developed and implemented a two-year Electric System Stabilization Plan to ensure the continuous, reliable generation of energy in tandem with the integration of renewable energy sources. Since we inherited the fleet, we have increased the availability of generation capacity from 46% to over 60%, and we are working steadily to deliver on our plans to further increase available capacity and improve reliability.

Genera also hopes to utilize federal funds to expand the island's temporary supplemental generation reserves in coordination with the Federal Emergency

Management Agency (“FEMA”), U.S. Department of Energy (“DOE”), and the U.S. Army Corps of Engineers. This key step will provide additional capacity to the system. One possible way to help Puerto Rico immediately is to give the U.S. Army Corps of Engineers the authority to provide States and territories with temporary assistance to stabilize their electrical grids, including assistance through the provision of temporary electricity generation and assistance with equipment. As this Committee is aware, after Hurricane Fiona, the U.S. Army Corps of Engineers installed 17 generators in Palo Seco and San Juan and those generators collectively produced 350 megawatts of power on the island, providing enough power to meet the needs of 100,000 homes.

Second, Genera’s contract ensures that our priorities are aligned with Puerto Rico’s. Our fee structure largely relies on a 50/50 share with the Government of Puerto Rico in savings and cost efficiencies generated. We agreed to this because we are comfortable with a contract that is predominantly based on performance.

Third, Genera appreciates and supports Puerto Rico’s transition to renewable energy with the projected influx of federal funding, an aligned public policy, and the commitment of engaged public and private stakeholders. In support of this essential transition, we treat the task of retiring and decommissioning antiquated power plants as they are replaced by renewables as a key component of our responsibility,

adhering to the approved Integrated Resource Plan. We look forward to working closely with the Puerto Rico Energy Bureau to ensure that there are adequate generation resources available and that plants are retired responsibly.

Supporting, and being part of, Puerto Rico's transition to renewables, is one of the main reasons why we founded Genera. We look forward to working closely with all the stakeholders involved to ensure this transition is done efficiently and effectively.

Last, but certainly not least, having an energy business in Puerto Rico and working closely with PREPA plant employees over the last several years, we have come to recognize the invaluable talent and dedication of PREPA's plant operators. They work incredibly hard and ensure that Puerto Rico's legacy power plants continue to operate.

Finally, I want to reiterate that we understand just how important this undertaking is, to provide an essential service to the Puerto Rican people, and Genera is committed to continually improving the limited set of assets under its control. But this alone will not be enough to achieve the broader system results that the Island needs and consumers deserve. With assistance from FEMA and the U.S. Army Corps of Engineers on temporary supplemental generation projects, we can quickly improve the resiliency and redundancy of Puerto Rico's electric grid, to ensure that

we can bridge the gap between the current fleet and the future of reliable, affordable, and clean energy generation resources that Genera is working towards.

We look forward to building a meaningful relationship with you and a brighter future for the People of Puerto Rico. We are confident we can work together to ensure that this is a successful energy system transformation we can all be proud of playing a role in.

Brannen McElmurray Bio/CV

Brannen McElmurray is currently the President & CEO of Genera, a New Fortress Energy Inc. (NASDAQ: NFE) company. Genera was founded to bring reliable and affordable infrastructure solutions to markets seeking zero carbon energy systems. Genera currently manages ~4GW of installed generation capacity and responsible for deploying over \$2B into critical energy infrastructure for the energy transition. Prior to Genera, Brannen served as the head of Zero Carbon Energy, a New Fortress Energy company dedicated to building, owning, and operating clean hydrogen infrastructure.

As part of NFE, Brannen managed a capital investment program of over \$2B and the development of the company's most successful energy projects across the world, including a LNG liquefaction plant; a LNG terminal integrated with a combined-cycle power plant; a world-scale LNG terminal integrated with a combined-cycle power plant; a combined heat and power generating station providing power to the grid and steam to a world-scale alumina refinery; a world-scale energy park that incorporates a LNG terminal, 600MW advanced technology CCGT + battery storage, and behind the fence hyper-scale data centers; a multi-fuel handling facility; and a 350MW fast power program. Brannen worked on NFE since its inception as part of the founding team, taking the company public, and scaling its operations and development team to a global leader in the energy transition space. Brannen was previously in Fortress Investment Group's Private Equity Group for over a decade working directly with its Founders. At Fortress, Brannen focused on investing in, and building, infrastructure assets and businesses.

Before joining Fortress Investment Group, Brannen was the portfolio director of renewable energy and environmental commodities at NRG Energy, Inc. (NYSE: NRG). Brannen has also worked for Goldman Sachs Group as an investment banker focused on technology companies and as an attorney at Cravath, Swaine & Moore focused on M&A and leveraged finance. Brannen served as an officer in the United States Navy after graduating from the U.S. Naval Academy with a B.S. in engineering with highest honors. Brannen also holds a M.A. in Science, Technology and Public Policy from George Washington University and a J.D. from Stanford Law School. Brannen and his wife have three children 13, 11, and 9...they are his most important job.