



República of Panamá
NATIONAL AUTHORITY DI: PUBLIC SERVICES

Resolution AN No. 122, Cs Pt 22, Mj, 11

Sep 2024

"By In cunl the Administrative Sanctioning Procedure followed by the company **OCEANS GROUP INTERNATIONAL, INC.** is resolved."

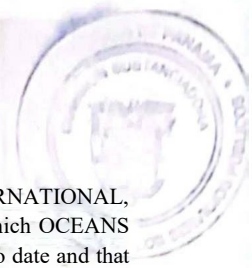
THE GENERAL MANAGER

in the exercise of its legal powers.

RECITAL:

1. That by means of Decree Law 10 of February 22, 2006, the Public Services Regulatory Entity was restructured under the name of the National Authority of Public Services, hereinafter (ASEP), as an autonomous body of the State, with competence to control and supervise the public services of drinking water, sanitary sewerage, electricity, telecommunications, radio and television, as well as those of transmission and distribution of natural gas;
2. That Article 20 of Decree Law 10 of 2006 establishes among the powers of the National Authority of Public Services, that of applying sanctions to violators, in the regulatory field of its competence, on the basis of the powers conferred in this Law, in the respective sectoral laws or in the concessions, licenses or authorizations;
3. That Law 6 of February 3, 1997, issued the Regulatory and Institutional Framework for the Provision of the Public Electricity Service, a sectoral text in force in the area of the public electricity service, develops in Title VII, the infractions, penalties and the Sanctioning Procedure that must be applied, in the event of a possible breach of current regulations on electricity;
4. That by means of OAL Memorandum No. 0760-2021 of November 8, 2021, the Office of Legal Counsel of the ASEP requested the processing of the request submitted by Mr. Rodolfo Aguilera Franceschi on behalf of the companies Neacoria, Inc., Turtle Beach Hacienda Corporation, Paradise Discovered Inc. and Todoclaro, S.A. to sanction the company **OCEANS GROUP INTERNATIONAL, INC.** for the alleged non-compliance with "sectoral regulations";
5. That in the brief filed on June 10, 2021 by the Special Representative of the companies Neacoria, Inc., Turtle Beach Hacienda Corporation, Paradise Discovered Inc. and Todoclaro, S.A., several claims are developed, namely:
 - 5.1 Order to the company **OCEANS GROUP INTERNATIONAL, INC.** register in the "Registry of Agents of the Electric Energy Market", in order to obtain a concession "for the generation, transmission and distribution plant of electric energy that operates from, or near the PH Red Frog Beach Club (I) Real Estate Project, in Isla Bastimentos, Bocas del Toro, and as a consequence, be ordered to submit for approval the rate for electric energy services that they propose to charge to resident customers".
 - 5.2 Three sanctions or fines are imposed on the company **OCEANS GROUP INTERNATIONAL, INC.**, "... for not registering with the ASEP, for not obtaining a concession to generate, transmit and distribute energy in Isla Bastimento and for charging, abusing a dominant market position, a tariff not approved by ASEP or consented to in writing by residential customers".

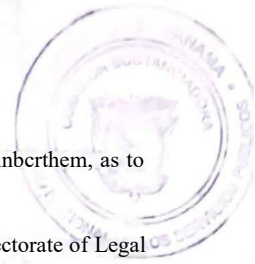




- 5.3 To determine retroactively "what OCEANS GROUP IN I ' has charged. RNATIONAL, INC. above the market price to residents-customers, from the date on which OCEANS GROUP IN I ' . RNATIONAL, INC. initiated the distribution of energy to date and that OCEANS GROUP INTERNATIONAL, INC., be ordered to return to the customers what was overcharged, plus interest to Legal Entity payable from the time the overpayment was made until the corresponding restitution."
6. That in said brief, the Special Representative of the complainant companies requested that a provisional precautionary measure be decreed "consisting of the fact that OCEANS GROUP INTERNATIONAL, INC. is obliged to provide an efficient, continuous and uninterrupted service of generation, transmission and distribution of electricity for the duration of this administrative process, charging the current rate approved by the ASEP for the company that currently distributes energy in the Province of Bocas Del Toro, in order to protect residential customers" (sic);
7. That by means of an order dated November 18, 2021, the Substantiating Commissioner was ordered that, in accordance with the provisions of Title VII called Infractions, Penalties and Administrative Sanctioning Procedure of Law 6 of February 3, 1997, which dictates the Regulatory and Institutional Framework for the Provision of the Public Electricity Service, the necessary investigative measures will be carried out in order to determine whether the company **OCEANS GROUP INTERNATIONAL, INC.** engaged in any of the infringing conducts established in said sectoral law;
8. Notwithstanding the foregoing, it was established in the aforementioned ruling that petitions for restitution or return of sums of money collected, fees, interest, expenses, or costs, would not be heard within the corresponding Administrative Sanctioning Procedure, since they are not within the competence of this Regulatory Authority, but of the corresponding jurisdictional sphere;
9. That as part of the investigation proceedings within the administrative sanctioning file followed against the company **OCEANS GROUP INTERNATIONAL, INC.**, The following were carried out:
- 9.1 By Note ASEP-CS-0121-2022 of March 29, 2022, the General Representative of the company was requested **OCEANS GROUP INTERNATIONAL, INC.** information regarding the operation and costs incurred for the operation of the generation plant, as well as the underground distribution system, among other details contained in the letter sent by email on April 18, 2022 to the address mbussing@oceansgroupintl.com, as stated on page 137 of the disciplinary dossier;
- 9.2 Inspection carried out on April twenty-eight (28), two thousand and twenty-two (2022) in the P.H. Red Frog Beach Club located on Isla Bastimento, province of Bocas del Toro, with the purpose of identifying the operation, equipment and other elements that make up the electrical network that serves the P.H. in question, as well as obtaining information regarding the measurement of the electricity consumption of each real estate unit of the property and its billing, and any other information that would contribute to the development of the administrative investigation;
- 9.3 Notes ASEP-CS-0166-2022 of May 25, 2022 and ASEP-CS-0180-2022 of July 11, 2022, for which the General Representative of the company was requested **OCEANS GROUP INTERNATIONAL, INC.** the remittance of copies of invoices issued to customers Neacoria, Inc., Turtle Beach Hacienda Corporation, Paradise Discovered Inc. and Todoclaro, S.A.;
- 9.4 Affidavit rendered by the General Representative of the company **OCEANS GROUP INTERNATIONAL, INC.**, from which information was obtained regarding the development of



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- 15.3 "TMO su cre
SusInnciZnT-ifn rT* ""{"" ""error """""">" <]le Pulcra "legar In Comisión de leimldn I i M M-
'nelllnmcnc an ostensible and flagrant violation of the principle
< legality that makes this Statement of Objections invinble".
- 15.4 "Now, if we accept for the sake of discussion, that NOT 1.0 WE DO, that the Substantiating Commission made a mistake not once but twice, and what it intended to err is to cite as an infraction and as a charge, numeral I of Article 150 of the Unified Text of Law 6 of February 3, 1997 published in the Official Gazette No. 29325-A of Wednesday, July 07, 2021. we must also deny such consideration because it is contrary to Law 6 of 1997 itself, Executive Decree No. 22 of 1998 and the regulator's own acts."
- 15.5 "We deny the alleged infraction alleged by the Substantiating Commission for the case at hand, since the National Authority of Public Services recognized that our client was not subject to applying for either a concession or a license."
- 15.6 According to the defense in the defenses presented, the name previously held by the company OCEANS GROUP INTERNATIONAL, INC., was that of PILLAR PANAMÁ, S.A., a change made by means of Public Deed No. 16956 of August 13, 2009.
- 15.7 On January 22, 2007, the then PILLAR PANAMÁ, S.A., today OCEANS GROUP INTERNATIONAL, INC., requested a generation license to operate in an Isolated System located on Isla Bastimento, province of Bocas del Toro.
- 15.8 "By means of Note No. DSAN 0531-07 of February 2, 2007 Ref.033431 issued and signed by the then General Administrator of the Authority Dr. Víctor Urrutia, the ASEP determined without a doubt that OCEANS GROUP INTERNATIONAL INC, formerly Pillar Panama, S.A., did not have the obligation to obtain a license or concession."
- 15.9 "... to obtain absolute security from the electricity market regulator, PILLAR PANAMA, S.A. now OCEANS GROUP INTERNATIONAL INC. requested again to the ASEP on July 9, 2009, a generation license as provided for in Law 6 of February 3, 1997. The ASEP through Note DSAN 3004-09 of September 29, 2009, determined verbatim and for the second time, that our client did not require a generation license until it was going to sell its surpluses to the national interconnected system."
- 15.10 "Two administrators of the ASEP, in use of their legal powers and by authority of the Law, denied that our principal had to request a license under the terms of the alleged legal basis alleged in the infraction and the charge of the Statement of Objections that concerns us."
- 15.10 In the opinion of the defense, the Principle of Legality has been violated, as well as that of Due Process of Law, the Principle of Irrevocability of the acts of the administration, and the theory of own acts.
- 15.11 "Pillar Panama, S.A., now Oceans Group International Inc., in accordance with the provisions of the Co-ownership Regulations registered on November 20, 2006 in the document redi 1041581 entry 1 of the Public Registry of Panama, in accordance with the literal wording of the legal and regulatory standards in force in the field of electricity, has the power to provide electricity service to the PH RED FROG BEACH CLUB."
- 15.12 "The Specifications, the Substantiating Commission and the legal representative of Neacoria, Inc. Turtle Beach Hacienda Corporation Paradise Discovered Inc and Todoclaro, S.A. have demonstrated an absolute ignorance of the electricity regulations in force at the time of the incorporation as PH of the PH RED FROG BEACH CLUB, that is,
- 15.13



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And how the changes should be applied, of hnbcrthem, as to this condition."

- 15.14 "As must have been known to the Substantiating Commission and the Directorate of Legal Advice of the ASEP. For the year 2006 and until 2012, **the only regulations in force in the Republic of Panama for the provision of electricity service in isolated systems, such as the Island of Bastimentos was Article 64 of the Law 6 of February 3, 1997 (without amendment) and Executive Decree No. 22 of 1998"**
 - 15.15 "To this end, during that period, there was not even a rule that regulated (as there is today) the relations between the provider of a service in an isolated system and its customers. This means that, since there is no applicable regulation, what is valid are Law 6, Executive Decree No. 22 of 1998 and the contracts signed by the parties such as the Co-ownership Regulations and the respective Purchase and Sale Contracts", (sic)
 - 15.16 "... Retroactively applying the rules in force today to legal situations in force in 2006 is not only an argumentative fallacy but also a significant ignorance of the application of the rules over time as provided for in the Civil Code of the Republic of Panama. This list is an absolute legal blunder and must be declared so, as it is unfeasible",
 - 15.17 In the opinion of the company's defense **OCEANS GROUP INTERNATIONAL INC.**, "the ignorance of the Substantiating Commission and the Directorate of Legal Advice of their own legal and regulatory rules, as well as their application in time in accordance with the Civil Code, has caused our client to be left in a total defenselessness but in addition, it could even mean that the legal competences to carry out a sanctioning process have been exceeded".
 - 15.18 They continue to state in their brief of defenses, that "... in section No. 4 of the Statement of Objections, considerations are cited on invoicing, metering and collection, which are allowed to our client pursuant to Article 52 of Executive Decree 22 of 1998, in force on the date of incorporation of the PH and on the date of acquisition of the real estate by Neacoria, In. Turtle Beach Hacienda Corporation Paradise Discovered Inc y Todoclaro, S.A. and that in any case, in the event that there was a claim, what was appropriate, in accordance with Executive Decree No. 22 of 1998 itself, was for the ASEP to resolve the Conflict, since obviously it cannot be competent to decide on an alleged infringement when, on the one hand, the rule cited by the Commission itself does not exist and, on the other hand, Article 52 of Executive Decree No. 22 of 1998 gives the ASEP the competence to mediate *and the referee*".
 - 15.19 The memorialist states in the defenses, that the measure adopted in Resolution AN No. 18383-CS of April 19, 2023 "is arbitrary", however, being the company **OCEANS GROUP INTERNATIONAL INC.**, serious and respectful, "... for the guarantee of its own customers, ... made the decision to abide by it, which does not imply that he agrees with it..."
16. That by means of an order dated October seventeen (17), two thousand twenty-three (2023), the ASEP ordered to resolve the evidence adduced and requested with the response to the Statement of Objections by the Special Representative of the company **OCEANS GROUP INTERNATIONAL INC.**, setting the period for the taking of evidence, from October thirty (30) to November fifteen (15), two thousand twenty-three (2023), which was notified to the defense of the company, as well as to the Special Representative of the companies Neacoria, Inc., Turtle Beach Hacienda Corporation, Paradise Discovered Inc. and Todoclaro, S.A. constituted as a party to the present administrative case, by means of the Ruling dated twenty (20) April 2023;



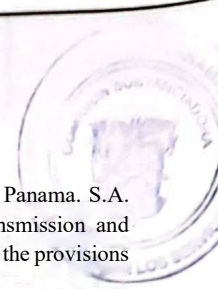


17. That in a ruling dated October seventeen (17), two thousand and twenty-three (2023), it was stated that, once the evidentiary period has expired, the presentation of the corresponding documents would run for a period of ten (10) business days, for which the Special Representative of the company **OCEANS GROUP INTERNATIONAL INC.** they were submitted on November 30, 2023, however, no brief of allegations was received from the companies Nacoria, Inc., Turtle Beach Hacienda Corporation, Paradise Discovered Inc. and Todoclaro, S.A.;
18. That within the administrative sanctioning file, the memorials presented by the Special Representative of the companies Nacoria, Inc., Turtle Beach Hacienda Corporation were resolved. Paradise Discovered Inc. and Todoclaro, S.A. consisting of the following: "Appeal Reconsideration of the Statement of Objections issued by the SUBSTANTIATING COMMISSION of the NATIONAL AUTHORITY OF PUBLIC SERVICES, dated August 21, 2023"; "Reconsideration and Appeal" against the Ruling dated October 17, 2023, by which the evidence presented was resolved; (pp. 860 and 863)
19. That, on the other hand, by means of Resolution AN No. 18842-CS of November 13, 2023, the Motion for Nullity filed by Mr. Rodolfo Aguilera Franceschi, Special Representative of the companies Nacoria, Inc., Turtle Beach Hacienda Corporation, Paradise Discovered Inc., and Todoclaro, S.A., was resolved, which appears in the booklet incorporated into the administrative sanctioning file on page 885;
20. That once the procedural stages established in Article 153 of the Unified Text of Law 6 of February 3, 1997 have been completed, the present administrative case is resolved, subject to the following considerations:

Initial Considerations:

- 20.1 The P.H. Red Frog Beach Club is located on the Island of Bastimentos, province of Bocas del Toro and within Red Frog Beach Resort. It was constituted under the Horizontal Property Regime with the Resolution of October 19, 2006 issued by the Ministry of Housing. In this sense, it maintains a duly approved Co-ownership Regime.
- 20.2 As detailed in Public Deed No. 14874 of November 1, 2006, issued by the Tenth Notary of the Circuit of Panama, an authenticated copy of which appears on page 705 of the sanctioning dossier, the P.H. is made up of private cobblestone streets, easements, and single-family homes whose owners may be individuals, natural or legal.
- 20.3 At the P.H. Red Frog Beach Club, several services are offered, including electricity, for which it was established that the Assembly of Owners of the property would execute an exclusive contract with the company Pillar Panama, S.A. "... as long as said company has the respective government permits or concessions to provide these services..." (p. 806)
- 20.4 The company Pillar Panamá, S.A. changed its name, being called today **OCEANS GROUP INTERNATIONAL, INC.** as stated in Public Deed No. 16956 of August 13, 2009. (p. 701)
- 20.5 In 2007, the company Pillar Panama, S.A., (today **OCEANS GROUP INTERNATIONAL, INC.**), submitted to the AS EP applications for the generation of electricity and for the registration of an electric transmission line in order to operate an Isolated System for the generation, transmission and distribution of electric energy for the project called "Red Frog Beach Club", located in an area of Bastimento Island, Bastimento township, district and province of Bocas del Toro. These petitions were returned by note DSAN-0531-07 of February 22, 2007.



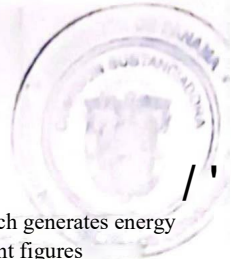


- 20.6 The reason for this return, after In own company at that time called Pillar Panama. S.A. clarified that it would not operate an isolated system of generation, transmission and distribution or public service, but rather to satisfy its own needs, was based on the provisions of Articles 54 and 60 of the Law 6 of 3 February 1997. (now Articles 55 and 61 of the Unified Text of Law 6 of February 3, 1997). which establish that "they are subject to the regime of concessions and licenses. the construction and operation of electricity generation plants and transmission and distribution activities intended for public service "
- 20.7 However, the ASEP clarified in the letter DSAN-0531-07 of February 22, 2007, that if the company Pillar Panamá, S.A. was interested in linking with the National Integrated System to sell the surpluses and buy backup services, it should register in the registry of self-generators and comply with the provisions of Resolution JD-2333 of September 7, 2020.
- 20.8 In 2009, through Note DSAN-3004-09 of September 29, 2009 addressed at that time to the company Pillar Panamá, S.A., this Regulatory Authority responded to another application for an electric power generation license, indicating that, if the energy production was for the exclusive use of commercial activities, no type of license was required. In the event that they were engaged in the activity of generating electricity only for sale to the National Interconnected System, they had to comply with the provisions of Resolution AN No. 1021-Elec of July 19, 2007, registering through the use of Form E-170-A.
- 20.9 After these missives Ja company **OCEANS GROUP INTERNATIONAL, INC.** since 2011 it has carried out proceedings with the electricity distribution company responsible for the concession in the area, so that it would supply electricity to the Red Frog Project.
- 20.10 In note DS AN-0450-16 of February 15, 2016, the ASEP, after receiving the request from Empresa de Distribución Eléctrica Chiriquí, S.A. to expand the concession area by 1,000 meters on each side of the new line, authorizes it to interconnect the Red Frog Project to the distribution system, based on the provisions of the Supply Regime regarding service requests beyond one-hundred (100) meters of existing lines. The foregoing while the ASEP was carrying out the process of expanding the Concession Zone of the Chiriquí Electric Distribution Company, S.A., since it was within the Zone of Influence.
- 20.11 Subsequently, the company **OCEANS GROUP INTERNATIONAL, INC.** through its Special Representative, specifically for August 2016, it raised a query to the ASEP in order to clarify whether: "a company that is connected to the grid or National Integrated Electric Energy System whose Generation reaches a private distribution system within an island to be redistributed to the homes or private villas that are on the aforementioned island, does it require some type of license to carry out the activity?, if so, what type of license or otherwise, what would be the legal basis for not having to obtain a license," (p. 77, Annex I)
- 20.12 With note DSAN No.3439 of December 12, 2018, a copy of which appears on page 79 of Annex I that is part of the administrative sanctioning file, the ASEP responded to the query as follows:

"As indicated, the company subject to the consultation generates electricity and is connected to the National Interconnected System (SIN), however, to absolve your query it is required to expand the information provided.

In the first place, it is necessary to rule out that the island to which the company wishes to provide the electricity distribution service is concessioned to an Electricity Distribution Company, otherwise, in order to provide the distribution service on the **island, a distribution concession is required.**





Por another PNRLC. el consultant must inform In modelidnd by In which generates energy In company to In what sc refers. by virtue of the fact that there are different figures regulated by Law 6 of February 3, 1997. related to the generation of electricity, for example, there are concessionaires of hydroelectric and commercial power plants. thermal, colic and photovoltaic plant licenses; nutogcnmdorcs that produce and consume electricity on the same property; and, large customers who cannot operate or exploit any type of distribution service, nor are they entitled to any remuneration on their capital invested in the internal facilities they require, but they can incur administrative charges for the determination or calculation of what each member is entitled to pay for the collection services, operation and maintenance, metering and the like Necessary.

In order to provide you with a satisfactory answer, it is necessary that you indicate which figure, among those indicated above, applies to the company that is the subject of your query; and, to which island it refers to rule out that it is not concessioned to a distribution company."

- 20.13 By means of the note dated August 28, 2019 filed with this Regulatory Authority, the Special Representatives of the then Board of Directors of the P.H. Red Frog Beach Club (1) requested the ASEP to hold a mediation with the company **OCEANS GROUP INTERNATIONAL, INC.** in order to deal with the issues of charging rates for the distribution of electricity and drinking water applied by that company, collection of the ITBMS in billing, application of the right to a retiree discount, license, permit or concession required to provide the energy and water service, (p. 83 of Annex I)
- 20.14 As can be seen from the note dated January 7, 2020, issued by the company's Special Representatives at that time **OCEANS GROUP INTERNATIONAL, INC.**, a copy of which appears on page 86 of Annex I, which is part of the administrative sanctioning file, in the mediation meeting held with personnel of the National Directorate of Electricity, Drinking Water and Sanitary Sewerage of the ASEP, he was informed of the process of obtaining by that company a license for the concession of an isolated electricity generation system in a sector located on Bastimentos Island. district and province of Bocas del Toro, for which the Entity would establish the requirements.
- 20.15 In August 2021, the ASEP issued note D S AN-1917-21 of August 9, 2021 addressed to the President of the company **OCEANS GROUP INTERNATIONAL, INC.**, through which it requested information regarding the technical specifications for the connection of that company with the distributor EDECHI, as well as all the documentation generated by both companies on the characteristics of electricity supply by the Red Frog Project, which included the number of customers and the loads supplied by the power plants that the project has, copies of the invoices issued, the procedure used for billing the customers to whom the electricity supply was provided, among other data.
- 20.16 With the note dated September 10, 2021, the Legal Representative of the company **OCEANS GROUP INTERNATIONAL, INC.** provided a response to DSAN-1917-2021 issued by the ASEP, a copy of which appears on page 830 of Annex I of the administrative sanctioning file, forwarding the required information.
- 20.17 After all this background, some owners within the P.H. Red Frog Beach Club denounced the company **OCEANS GROUP INTERNATIONAL, INC.**, because it was not registered or authorized by the ASEP, to provide the service of generation, transmission and distribution of electricity in the property, in addition, it had not obtained the approval of the residents to collect the

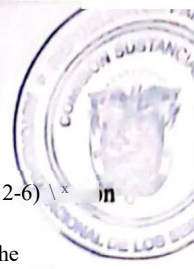




hirifns of electric enrgln, which in hi nchiality charges, much less authorization the In ASEP. (foJa 2-6)

20.1 H In order to corroborate the above, within the investigation stage that is established in the Administrative Sanctioning procedure, an inspection was carried out at the Red Frog Beach Club located on Isla Bastimento, obtaining the following information: (fojn 307-312)

- 20.18.1 Red Frog Beach's electrical system is comprised of generation, distribution *and* marketing. It is autonomous and generates energy that is consumed by customers connected to the low voltage of the system.
- 20.18.2 They are isolated from the electrical system of Empresa de Distribución Eléctrica Chiriquí, S.A., which maintains the concession for that area of the province of Bocas del Toro.
- 20.18.3 The electricity generation of the Red Frog HPP is composed of a thermal generator that has a system of three (3) four (4) internal combustion engines of diesel and photovoltaic solar panels. The motors have a capacity of 500 kVA, each motor is of the Cumming brand, three-phase with voltage 277/480 V.
- 20.18.4 The engines of the Thermal Generation are supplied with diesel by means of the ferry that arrives at the Red Frog Beach loading dock and has a hangar for the reserve of gasoline and diesel. Likewise, they have machines to dispense fuel for their heavy equipment and to sell to the boats that are on the private dock.
- 20.18.5 With regard to Photovoltaic Generation, photovoltaic panels are installed on the roofs of three (3) buildings that are used as galleys or equipment repair shops. This system generates direct current (DC), which can be in a voltage of 12 V or 24 V. The energy passes through single-phase or three-phase inverters that allow voltages of 120/240 V or 120/208V to be delivered.
- 20.18.6 The energy generated by the thermal plant and the photovoltaic system arrives in parallel to a 3 MVA transformer which raises the voltage from 480 V to 13.8 kV, in order to be distributed. After the low-voltage to medium-voltage transformer there is a remote-controlled switch that is operated remotely, reducing the interruption time.
- 20.18.7 As for Red Frog's electrical distribution system, it is underground, both medium voltage and low voltage, up to the delivery point at each customer's meter.
- 20.18.8 There are 12 passage boxes, which are installed on a concrete base on the surface of the land, which are used to place bypass bars.
- 20.18.9 The electrical distribution system has 54 medium-voltage to low-voltage transformers with capacities of 300, 75, 50 and 37.5 kVA, and are located on a concrete base without a registration chamber.
- 20.18.10 Three-phase and single-phase input and output transformers function as switches that can interrupt the flow of current, with the operation of qualified personnel and safety equipment.
- 20.18.11 Among the components of the distribution system, decorative ornamental street lights were visualized. For the



electricity rates, which it currently charges, much less autoturize In ASEP. (pp. 2-6) \ x in

20.18 In order to corroborate the above, within the investigation stage established in the Administrative Sanctioning Procedure. An inspection was carried out on the P.H. Red Frog Beach Club located on Isla Bastimento, obtaining the following information: (pp. 307-312)

20.18.1 Red Frog Beach's electrical system is comprised of generation, distribution, and marketing. It is autonomous and generates energy that is consumed by customers connected to the low voltage of the system.

20.18.2 They are isolated from the electrical system of Empresa de Distribución Eléctrica Chiriquí, S.A., which maintains the concession for that area of the province of Bocas del Toro.

20.18.3 The electricity generation of the Red Frog HPP is composed of a thermal generator that has a system of three (3) four (4) internal combustion engines of diesel and photovoltaic solar panels. The motors have a capacity of 500 kVA, each motor is of the Cumming brand, three-phase with voltage 277/480 V.

20.18.4 The engines of the Thermal Generation are supplied with diesel by means of the ferry that arrives at the Red Frog Beach loading dock and has a hangar for the reserve of gasoline and diesel. Likewise, they have machines to dispense fuel for their heavy equipment and to sell to the boats that are on the private dock.

20.18.5 With regard to Photovoltaic Generation, photovoltaic panels are installed on the roofs of three (3) buildings that are used as galleys or equipment repair shops. This system generates direct current (DC), which can be in a voltage of 12 V or 24 V. The energy passes through single-phase or three-phase inverters that allow voltages of 120/240 V or 120/208V to be delivered.

20.18.6 The energy generated by the thermal plant and the photovoltaic system arrives in parallel to a 3 MVA transformer which raises the voltage from 480 V to 13.8 kV, in order to be distributed. After the low-voltage to medium-voltage transformer there is a remote-controlled switch that is operated remotely, reducing the interruption time.

20.18.7 As for Red Frog's electrical distribution system, it is underground, both medium voltage and low voltage, up to the delivery point at each customer's meter.

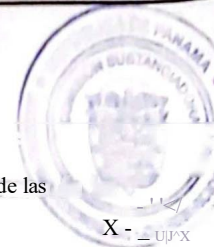
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" r / lighting did not so display a meter that regulates consumption de las luminaires.

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- 20.18.12 In the project coffers visited, it was possible to visualize meters that record the values consumed by customers, by the Red Frog Beach facilities and by Ins common areas of the project.
- 20.18.13 Thermal Generation through engines (fuel) is the main source of energy for Red Frog Beach's electrical system and carries the highest demand in the place.
- 20.18.14 Photovoltaic Generation uses panels to reduce the cost of operation and operates in parallel to the thermal generation system.
- 20.19 The foregoing determines without a doubt that within the P.H. Red Frog Beach Club there is an activity of generation, transmission and distribution of the electric energy service to the properties or farms, in addition to the charge for the service provided by the company OCEANS GROUP INTERNATIONAL, INC.

On the considerations set forth by the Special Representative of the company OCEANS GROUP INTERNATIONAL, INC. in the memorandum of defenses:

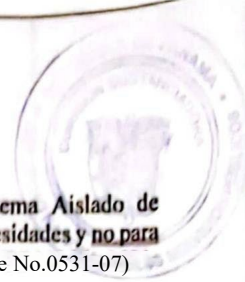
Alleged violation of the Principle of Strict Legality:

- 20.20 In the Statement of Objections made to the company **OCEANS GROUP INTERNATIONAL, INC.** The infraction in which he incurred was described, as a result of the actions carried out linked to the facts denounced, as well as, with those obtained as a result of the investigation carried out in the administrative file sanctioned
- 20.21 Thus, in point 3 of the Statement of Objections, entitled "INFRINGEMENT ALLEGEDLY COMMITTED IN THE FIELD OF ELECTRICITY ACCORDING TO THE ANALYSIS OF THE DOCUMENTS COLLECTED IN THE ADMINISTRATIVE SANCTIONING FILE BY THE NATIONAL AUTHORITY OF PUBLIC SERVICES" it was described: "**The provision of electricity services without the corresponding concession**", such as the infraction in which it incurred, (emphasis added)
- 20.22 Notwithstanding the foregoing, due to a writing error, when indicating that the infraction was established in numeral 1 of Article 150 of the Unified Text of Law 6 of February 3, 1997, a digit was omitted, so that "Article 50" was noted as the alleged rule infringed.
- 20.23 Likewise, it was stated in point 5 of the Statement of Objections called: "STATEMENT OF THE CHARGE ALLEGEDLY ATTRIBUTABLE TO THE COMPANY OCEANS GROUP INTERNATIONAL, INC.:", however, from what was stated by the company's defense in the exculpatory memorandum, it is clear that the illegal, typical and allegedly culpable conduct was described verbatim as it appears in numeral 1 of article 150 of the Unified Text of Law 6 of February 3, 1997, which allows us to determine, without a doubt, that there was no violation of the Principle of Typicity, because the alleged conduct was pointed out to the company OCEANS GROUP INTERNATIONAL, INC. so that she could exercise her right to defense, which in fact, she exercised extensively.

On the alleged violation of the Principle of irrevocability of administrative acts and of one's own acts to the detriment of the Principle of Good Faith:



- 20.24 **La Corte** de Suplicación de Jurisdicción ha expresado en su sentencia que la supuesta violación, por parte de la administración de mi 'acto' propio* must be applied cuando las actuaciones de la administración son firmes. To say, that f***
(Ruling of October 16, 2018 issued within the Contentious Lawsuit Administration of Full Jurisdiction against Resolution AN No. 1099S-ELF. C of 3 March 2017)
- 20.25 The Principle of the irrevocability of administrative acts prohibits the Administration from revoking its own acts ex officio, when they recognize or declare a subjective right in favor of the administrated. For its part, the Principle of Good Faith implies that the authorities must be transparent with respect to the declared rights.
- 20.26 To The Company **OCEANS GROUP INTERNATIONAL, INC.** he has not been declared rights for the activity he carries out within the P.H. Red Frog Beach Club, much less has the ASEP issued administrative acts within which such recognition has been granted. That is why the alleged violation of the Principle of
The revocability of one's own acts has no legal basis. The same happens with the Principle of Good Faith for which whoever points out the violation must be devoid of guilt in his conduct.
- 20.27 The arguments outlined by the company's defense **OCEANS GROUP INTERNATIONAL, INC.** do not conform to the reality of the facts surrounding the activity that he has been carrying out within the P.H. Red Frog Beach Club, and which have been corroborated by the ASEP in the investigation stage that preceded the formulation of charges.
- 20.28 As expressed in the initial considerations, there were requests to the ASEP by the developer of the Red Frog Beach Club Project to obtain a license that would allow it to generate electricity, however, in the letters issued by the ASEP to the company Pillar Panama, S.A. (today **OCEANS GROUP INTERNATIONAL, INC.**), He was always told that, if it was for the satisfaction of his own needs, he did not require a license.
- 20.29 Moreover, in 2018 the Administration was clear in indicating to the company **OCEANS GROUP INTERNATIONAL, INC.**, that it should express the modality with which it would generate electricity, since the current sectoral regulations on electricity regulate different figures for that activity.
- 20.30 The communications issued by the ASEP, under the few proposals presented by the company **OCEANS GROUP INTERNATIONAL, INC.** at the time, in terms of the scope of its activity, they did not grant any kind of right, prerogative, or Exception to the company, much less a license to provide electricity service to third parties, through the development of generation, transmission and distribution activities.
- 20.31 The ASEP reiterated in expressing that, if the activity was to cover its own needs **not that of third parties**, as it has been doing since it parceled out, declared improvements and sold the farms within the P.H. Red Frog Beach Club, it did not require a license.
- 20.32 The responses issued by the ASEP in the letters cited by the Special Representative of the company **OCEANS GROUP INTERNATIONAL, INC.**, (DSAN-0531-07 and DSAN-3004-09), were given on the basis of what was precisely established by Law 6 of February 3, 1997 (without amendment) at the time, which in its article 6 defined the Self-Generator as: the "natural or legal person who produces and consumes electricity on the same property, to meet its own needs and who does not use. It sells or transports its energy with terceros o asOCiados; but it can sell surpluses to the Transmission Company and other market agents".



20.33 En este sentido, al indicar la empresa que establecería un Sistema Aislado de generación, transmisión y distribución para satisfacer sus propias necesidades y no para un servicio público, it did not require a license or concession. (USAN Note No.0531-07)

20.34 At the convenience and to free itself from liability, the company **OCEANS GROUP INTERNATIONAL, INC.** is interpreting that the ASEP authorized and allowed the public service of generation, transmission and distribution to be provided within the Red Frog Beach Club outside the Law, arguments with which it aspires to support its hypothesis of the "violation of the Principle of the irrevocability of administrative acts and of one's own acts to the detriment of the Principle of Good Faith.

20.35 In view of the above, it is necessary to clarify and highlight that, within our legislation, the *electricity service, regardless of its source or origin*, is a public service whose purpose is to satisfy the primary needs, both individual and collective, through the material provision of the supply of electricity. Therefore, it cannot be controlled by an individual or a company, but has a License or Concession that authorizes it to provide it in accordance with the provisions of the Unified Text of Law 6 of February 3, 1996.

20.36 The company **OCEANS GROUP INTERNATIONAL, INC.** it does not have the conditions or legal characteristics that authorize it to provide electricity services to third parties, nor generation, transmission, distribution or commercialization. The argument developed in the defenses regarding the provision by means of an isolated system denotes a total ignorance of the electrical regulations and their technicality, contrary to what the memorialist maintains when referring to Law 6 of February 3 in force from 2006 to 2012.

20.37 In order to carry out generation, transmission and distribution activities, Law No. 6 of February 3, 1997 (without amendments), published in the Official Gazette No. 23,220 of February 5, 1997, as well as Executive Decree No. 22 of June 19, 1998, published in the Official Gazette No. 23,572 of June 25, 1998, establish the obtaining of a Concession or License for the exploitation of these activities, *as they are considered public services of public utility.*

20.38 The definition of Isolated System given in Article 64 of Law 6 of February 3, 1997 (without modification), is practically the same as that set forth in Article 54 of the current Law:

Article 64:

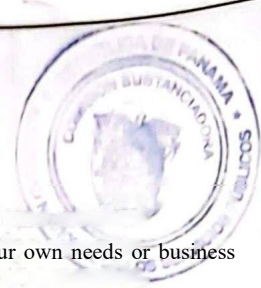
"Isolated systems. Electricity service in isolated systems with a maximum demand of up to fifty (50) MW may be provided by a single company in charge of generation, transmission and distribution. In the event that this demand is exceeded, the restrictions indicated in Article 62 shall apply."

Article 54:

"Isolated systems. Electricity service in isolated systems with a maximum demand of up to 50 MW may be provided by a single company in charge of generation, transmission and distribution. In the event that this demand is exceeded, the restrictions indicated in Article 52 shall apply."

20.39 In the event that the production was for own consumption and to sell surpluses to the National Interconnected System, it had to be registered with the ASEP to comply with the provisions of Resolution JD-2333 of September 7, 2000, which, although it has had several modifications, the last one being the one introduced by Resolution AN No. 17966-Elec of October 21, 2022, the activities of Self-Generation and Generation have not changed, but the company **OCEANS GROUP**





INTERNATIONAL, INC.) The provision of electricity service to meet your own needs or business activities did not require a license or concession.

However, since 2006 (p. 383) the company has been providing electricity generation, transmission, distribution, and marketing services to P.II. **Red Frog Beach Club**, which was no longer its own needs, but that of third parties, and therefore had to have a license or concession granted by the ASEP, as provided for in its own Co-ownership Regulations.

20.46 This being so, it is not clear what has been the impact on Due Process argued by the company **OCEANS GROUP INTERNATIONAL, INC.** in its defenses, if it was acting outside the Law and without authorization issued by the ASEP, which is the government entity that is responsible for granting the permits (licenses) or concessions that authorize the provision of the public service of electricity.

20.47 Since the issuance of Law 6 of February 3, 1997 (without amendments), published in the Official Gazette No. 23,220 of February 5, 1997, as well as Executive Decree No. 22 of June 19, 1998, published in the Official Gazette No. 23,572 of June 25, 1998, the generation, transmission and distribution activities have established the obtaining of a Concession or License for the exploitation of these Activities *because they are considered public services of public utility*.

20.48 On the other hand, it should be reiterated that by means of note DSAN No.3439 of December 12, 2018, a copy of which appears on page 79 of Annex I of the sanctioning dossier, set forth in point 20.11 of this administrative act, the ASEP responded to the query raised at that time by the company's Special Representative **OCEANS GROUP INTERNATIONAL, INC.** The answer was as follows:

"As indicated, the company subject to the consultation generates electricity and is connected to the National Interconnected System (SIN), however, to absolve your query it is required to expand the information provided.

In the first place, it is necessary to rule out that the island to which the company wishes to provide the electricity distribution service is concessioned to an Electricity Distribution Company, otherwise, to provide the distribution service on the island, a distribution concession is required, (emphasis added)

On the other hand, the consultant must inform the modality by which the company to which he refers generates electricity, (sic) by virtue of the fact that there are different figures regulated by Law 6 of February 3, 1997, related to the generation of electricity, for example, there are concessionaires of hydroelectric and geothermal plants; licensees of thermal, wind, photovoltaic plants; self-generators that produce and consume electricity on the same property; and, large customers who cannot operate or exploit any type of distribution service, nor are they entitled to any remuneration on their capital invested in the internal facilities they require, but they can incur administrative charges for the determination or calculation of what each member is entitled to pay for the collection services, operation and maintenance, measurement and similar as necessary.

In order to provide you with a satisfactory answer, it is necessary that you indicate which figure, among those indicated above, applies to the company that is the subject of your query; and, which island is it referring to to rule out that it is not concessioned to a distribution company."

20.49 As can be seen from the aforementioned text, the ASEP carried out an analysis based on the information provided by the company's representative **OCEANS GROUP INTERNATIONAL, INC.**, marking from the beginning in the reply letter that,





if In sin was not part of the electricity distribution company's concession, in order to distribute electricity, a concession was required.

- 20.50 The company **OCEANS GROUP INTERNATIONAL, INC.** generates, transmits and distributes the electric energy service within the P.I 1. Red Frog Reach Club. It measures the consumption of the clients, applies rates and charges for the services offered to the owners of the real estate units that make up the property, and additionally they have other clients such as SELINA, PALMAR. THE MARINA, THE SUPERMARKET and the community of Bahía Rojas (Pedro Santo), (p. 387)
- 20.51 By exercising such activities outside the provisions of Law 6 of February 3, 1997, he has constituted himself in violation of the Law and there is no rule, clause or procedure that exempts him or excludes him from compliance with the provisions Sectoral.
- 20.52 It should be recalled in the defense of the company **OCEANS GROUP INTERNATIONAL, INC.**, that the electricity service is a public service, therefore, it is regulated and supervised under the parameters established by Law 6 of February 3, 1997.
- 20.53 The Co-ownership Regulations of a property govern the relations between the owners of the building subject to the horizontal property regime, however, in the development of commercial activities to cover the needs, it must have the corresponding permits and authorizations.
- 20.54 On the other hand, it is a legal error to assert that the ASEP is applying retroactivity to a legal situation of the year 2006, since the conduct of the company **OCEANS GROUP INTERNATIONAL, INC.** and the legal norms imputed are the same as those that existed at the time of the constitution of the P.H. under the Horizontal Property Regime. In other words, the company is providing electricity services without a license and/or concession.
- 20.55 In view of the foregoing, there is no violation of due process. The commission of the infringement by the company **OCEANS GROUP INTERNATIONAL, INC.** has been clearly established and proven within the administrative sanctioning file, as well as the charges established by Law 6 of February 3, 1997, have been imputed, with the procedural opportunity to refute the facts charged.
- 20.56 With regard to the questioning of the billing, metering and collection that, in the opinion of the defense, is allowed by Article 52 of Executive Decree No. 22 of 1998, based on the fact that said rule was the one in force on the date of incorporation of the PH., as well as, at the time of the acquisition of the real estate by the complainant companies, it is important to clarify that said article has not been modified, so it again incurs a mistake, this time of legal interpretation, since the legal provision in reference is addressed to the "Large Client", establishing in effect, the power to make administrative charges for the determination or calculation of what corresponds to each associate to pay for the collection services, operation and maintenance, measurement and similar as necessary.
- 20.57 Article 52 in mention, prohibits the Large Customer from operating and exploiting the distribution service, in addition to not having the right to ".... to any remuneration on their capital invested in the internal facilities that they require", (emphasis added)
- 20.58 At the time of the filing of the complaint by the companies Neacoria, Inc., Turtle Beach Hacienda Corporation, Paradise Discovered Inc. and Todoclaro, S.A., the legal nature of the company **OCEANS GROUP INTERNATIONAL, INC.** had not been established by the ASEP, which is why the charges made were given in view of the fact that it was providing electricity services without the corresponding concession.





^0.59 Let us review the complete content of the provisions of Article 52 of Decree /7 and Executive No. 22 of June 19, 1998 regarding the figure of Large Client and its scope:

"Cooperatives, shopping centers, buildings, user associations, housing and recreational complexes and the like, may be considered as Large Customers, as long as they comply with the minimum demand requirements that are in force at the time of their request for electrical services.

In any case, they will have only one energy delivery point and will have ~~co.n un single meter~~ for the application and calculation of the prices agreed con el Generator or Distributor, as the case may be.

Large Customers may not operate or exploit any type of DG distribution service, nor will they be entitled to any remuneration ~~sobre su~~ capital invested in the internal facilities they require. However, they may make administrative charges for the determination or calculation of what corresponds to each member to pay for the collection, operation and maintenance, metering and similar services that are necessary.

It is the responsibility of the Regulatory Entity to interpret and apply this provision and resolve any conflict that may arise with respect to this issue." (emphasis added)

20.60 It is a fact that the company **OCEANS GROUP INTERNATIONAL, INC.** In the invoices it issues, it applies the costs of generation, as well as the distribution and transmission system it operates.

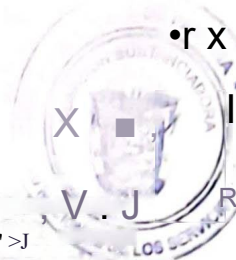
20.61 Therefore, the company **OCEANS GROUP INTERNATIONAL, INC.** incurred in the infraction called "The provision of electricity services without the corresponding concession", an infraction established in numeral 1 of article 150 of the Unified Text of Law 6 of February 3, 1997.

20.62 In another order of ideas, it is important to reiterate that, as explained in previous lines, there was a writing error, which consisted of omitting a digit, noting "article 50", when it should have been "article 150". However, the facts and other procedural evidence within the administrative sanctioning file are binding with the company's infringing conduct **OCEANS GROUP INTERNATIONAL, INC.**

Regarding the responsibility of the company **OCEANS GROUP INTERNATIONAL, INC.**, and the current situation of the residents within the Red Frog Beach Club HP:

20.63 The complaint filed by the Special Representative of the companies Neacoria, Inc., Turtle Beach Hacienda Corporation, Paradise Discovered Inc. and Todoclaro, S.A. against the company **OCEANS GROUP INTERNATIONAL, INC.**, for the provision of the generation, transmission and distribution service within the Red Frog Beach Club HPP, as well as for charging a fee for the services offered without having the authorizations, licenses or concessions to do so, generated by the ASEP the adoption of a Provisional Measure that would safeguard and protect the well-being of the community within the Red Frog Beach Club that uses the supply of electricity.

20.64 While it is true, the company **OCEANS GROUP INTERNATIONAL, INC.** it does not hold a license or concession that grants it the status of provider of the public electricity service, the truth is that it maintains control of the electricity supply as part of the common activities or services provided to the co-owners within the P.H. Red Frog Beach Club.



20.65

The foregoing cannot be further developed outside the Law and the regulations in force, without the company **OCEANS GROUP INTERNATIONAL, INC.** Get a license or concession adjusted to the modality currently provided to the P.H. — Red Frog Beach Club.

20.66

There is an abundance of documentation within the sanctioning dossier through which it was corroborated that the company **OCEANS GROUP INTERNATIONAL, INC.**, provides electricity services without the corresponding license or concession, which is why the responsibility for the alleged infringement was fully proven.

20.67

Notwithstanding the foregoing, it is necessary to recognize in this administrative act that the company **OCEANS GROUP INTERNATIONAL, INC.**, (formerly Pillar Panama, S.A.) since 2007 it has consulted the ASEP, in order to clearly establish whether it required permission or authorization to provide the services described above.

20.68

Due to a lack of clarity and information on the part of the consultant, the ASEP issued responses based on what is allowed by Law 6 of February 3, 1997, which has not changed in terms of the permits, licenses, concessions or authorizations required by those who wish to provide the public electricity service.

20.69

Similarly, it is essential to establish in this Resolution that in 2016 the Legal Representative of the company **OCEANS GROUP INTERNATIONAL, INC.**, requested the Empresa de Distribución Eléctrica Chiriquí, S.A. to supply electricity for the Red Frog Beach Club Project, located on Bastimento Island, which is why the distributor requested the ASEP to expand the Concession Zone and this Regulatory Authority through note DSAN-0450-16 of February 15, 2016 authorized the interconnection, while the extension process was being carried out.

20.70

On the other hand, it should be noted that the company **OCEANS GROUP INTERNATIONAL, INC.** carried out proceedings with Empresa de Distribución Eléctrica Chiriquí, S.A. in order to achieve a submarine and terrestrial interconnection, with the purpose of connecting the Red Frog Beach Club Project with the Isla Colón network, however, due to the costs involved in the infrastructure works, the agreement between both parties was stopped.

20.71

Parallel to the above, and in order to achieve interconnection, the company **OCEANS GROUP INTERNATIONAL, INC.** communicated to the ASEP three (3) possible solutions to achieve it: (i) the modernization of the Petro terminal Plant; (ii) that the Petroterminal company modernize its plant and supply interrupted power, which would be complemented by the Red Frog Project with its own generators to increase the system at the rate of Empresa de Distribución Eléctrica Chiriquí, S.A. and (iii) that the entry date be modified to January 2012 so that the new generator can make the investments to include the Red Frog Project.

20.72

However, by means of DSAN note No. 2770-2011 of November 11, 2011, a copy of which appears on page 50 of Annex I of the sanctioning dossier, the ASEP replied to the company **OCEANS GROUP INTERNATIONAL, INC.** indicating that the modernization of the Petroterminal Plant would not be viable, because the company Petroterminal de Panamá, S.A. (PTP) did not intend to continue with the generation of energy in the province of Bocas del Toro, in addition to the fact that its contract was about to expire.

20.73

So far, the conditions and other technical requirements presented by Empresa de Distribución Eléctrica Chiriquí, S.A. for the connection of the public electricity service to the Red Frog Beach Club Project have not been met, which is why the residents and co-owners of the P.H. Red Frog Beach Club they continue to receive electricity service from the company **OCEANS**



GROUP INTERNATIONAL, INC. * In the same way has regularized under the J_i % parameter* established in Law 6 of February 1, 1997 and its regulations. .

20.74 Regardless of the foregoing, and in view of the fact that the electricity supply service is of a public, general nature, of free access and of Portuguese. insofar as it is aimed at satisfying the individual and vital needs of people, the company **OCEANS GROUP INTERNATIONAL, INC.** cannot ignore the claims and non-conformities that have been presented by the co-owners in cl P .1 I. Red Frog Beach Club and that were formalized through a complaint before the ASEP.

20.75 In this regard, the ASEP urges the company **OCEANS GROUP INTERNATIONAL, INC.** to establish a regulation in consensus with the co-owners of the Red Frog Beach Club to whom it provides the electricity service, which contain the rules or regulations that will govern this provision, while its activities are regularized before that Regulatory Authority.

21. Notwithstanding the foregoing, the National Authority of Public Services must resolve and pronounce on the liability of the company **OCEANS GROUP INTERNATIONAL, INC.** for the charges charged, in addition to issuing some guidelines that allow leading to the regularization of the activity that has been developed within the P.H. Red Frog Beach Club, which is why;

SOLVE:

FIRST: ADMONISH to the enterprise **OCEANS GROUP INTERNATIONAL, INC.** by providing electricity services without the corresponding concession, an infraction typified in numeral 1 of article 150 of the Unified Text of Law 6 of February 3, 1997.

SECOND: TO ORDER the company **OCEANS GROUP INTERNATIONAL, INC.** to carry out the necessary procedures so that the activities of generation, distribution, commercialization and transmission of electric energy provided in the Red Frog Beach Club Project, within which the Red Frog Beach Club HPP is located, obtain the permits and authorizations from this Regulatory Authority, prior to compliance with the requirements that are demanded for each of the activities listed.

THIRD: TO WARN THE COMPANY. OCEANS GROUP INTERNATIONAL, INC. that of continue to develop the distribution and marketing activity in the Red Frog Beach Club Project, within which the Red Frog Beach Club Sanitary Station is located, they must comply with the provisions of Resolution AN No. 10529-Elec of October 11, 2016 that developed the Procedure to Regulate the Relationship between a Large Client and the Residences or Commercial Premises that are associated under the scheme of Title X of the Decree Executive 22 of June 19, 1998.

FOURTH: WARN the company **OCEANS GROUP INTERNATIONAL, INC.** that, as corollary of the above, if the distribution and marketing activities continue to be carried out, the price for electricity consumption that is applied to each of the units that make up the PH. Red Frog Beach Club, and others within the Red Frog Beach Club Project shall, in accordance with the provisions of Article 8 of the Procedure to Regulate the Relationship between a Large Client and the Residences or Commercial Premises that are associated with it under the scheme of Title X of the Decree Executive 22 of 19 June 1998, respect the following:

1. The cost of the Large Customer's electricity bill will correspond only to the generation costs, and will not include the investment costs for the underground electricity distribution system, nor the costs of operation and maintenance of the associated electrical equipment, nor the meters, (the detail will be attached in the billing to customers)
2. The energy measured by the Large Customer in kWh must correspond to the energy delivered by the generation plants before being distributed to all indirect customers of the electricity grid.



FIFTH: ORDER THE COMPANY TO GO **OCEANS GROUP INTERNATIONAL, INC.** than submit to the National Authority of Public Services, within thirty (30) days from the execution of this resolution, an affidavit in which it certifies and complies with the provisions of the Second Resolution of this resolution.

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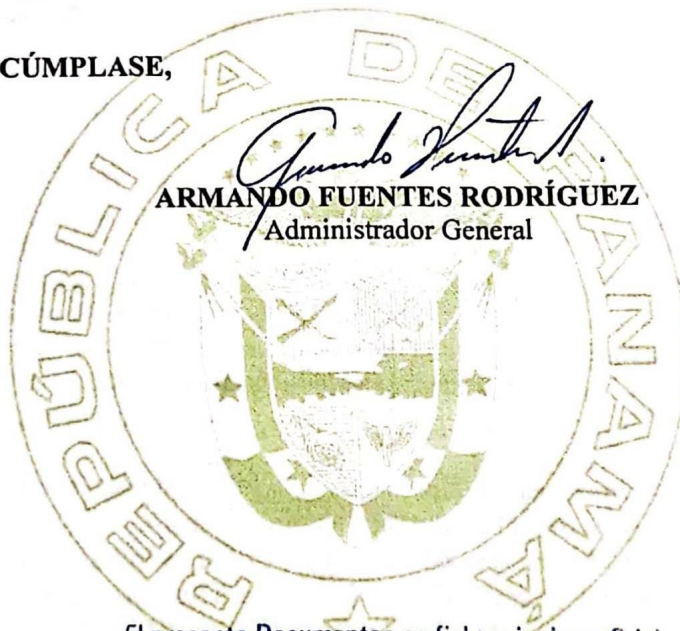
SIXTH: TO ANNUL In Resolution AN No. 18383-CS of April 19, 2023, a Provisional Measure was adopted within the administrative sanctioning file identified with number 060-2021.

SEVENTH: WARN THE COMPANY **OCEANS GROUP INTERNATIONAL, INC.** that, against of this Resolution, only the Appeal for Reconsideration is possible, which must be filed within five (5) business days following the notification of this Resolution and, once resolved, the governmental channel is exhausted.

EIGHTH: WARN that this Resolution will be in force as of its notification.

LEGAL BASIS: Law 26 of January 29, 1996 amended by Decree Law 10 of February 22, 2006; Law 6 of 3 February 1997. Resolution No. 1021-ELEC of July 19, 2007 and its amendments.

NOTIFÍQUESE Y CÚMPLASE,



Exp: No.060-21
AFR/cbdp/mcg

El presente Documentos es fiel copia de su Original, Según Consta en los archivos centralizados de la Autoridad Nacional de los Servicios Públicos.

Dado a los 24 días del mes de mayo de 2024

FIRMA AUTORIZADA