

# THE BOND BUYER

## PR Board gets another extension on PREPA deal, argues negotiations progressing

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Hope for a Puerto Rico Electric Power Authority deal rose as the bankruptcy judge granted the Oversight Board an additional five days to submit a plan of adjustment for the authority, following a deal negotiated with fuel line lenders the board says will entice other parties to come to the table.

The board told Bankruptcy Judge Laura Taylor Swain on Thursday that a [deal it is negotiating with fuel line lenders](#) "could generate considerable momentum amongst other mediation parties to reach agreements to support a plan of adjustment for PREPA."

"The current negotiation process should, therefore, be given more opportunity to succeed if it can continue to lead to progress towards a consensual deal with additional creditors," the board added.

The board asked for the [extension from its Thursday deadline](#) that was already an extension from an [original Swain-ordered Dec. 1 deadline](#).

The board asked Swain to give it until 6 p.m. EST, Tuesday, to submit the proposed plan of adjustment, disclosure statement, and related documents. It said the proposed documents are ready to be submitted and it is going to propose a schedule leading to a plan of adjustment confirmation in July instead of June.

Swain granted the extensions Friday.

In its court submission, the board said the mediation team authorized the board to say it did not object to the extension request. The team could not be immediately contacted to confirm the statement.

The Ad Hoc Group of PREPA Bondholders, which is representing the holders and insurers of most of the authority's bond par value, said it had no comment on the board's request.



Puerto Rico Oversight Board Member Justin Peterson said on Thursday evening that negotiations were back on track.

On Thursday evening, Oversight Board Member Justin Peterson tweeted, "We are back on track! Let's make a deal this week!"

PREPA has been in technical and/or monetary default since summer 2014. The board put it into the Title III bankruptcy process found in the Puerto Rico Oversight, Management, and Economic Stability Act in mid-2017.

While the board and bondholders have reached various deals in the past, the board and/or the local government have subsequently withdrawn from them.