



**COMMONWEALTH OF PUERTO RICO
PUERTO RICO ENERGY COMMISSION**

IN RE: TRANSPARENT BILL; §6B(C) OF
ACT 83, AS AMENDED.

CASE NO.: CEPR-AP-2016-0002

Subject: Transparent Bill Approval
Procedure

RESOLUTION AND ORDER

Act 57-2014, as amended,¹ provides for a comprehensive transformation of Puerto Rico's energy market and introduces significant reforms aimed at increasing transparency in the Puerto Rico Electric Power Authority's ("PREPA") operations in order to return consumer confidence to one of Puerto Rico's main enterprises. One of the distinct measures introduced by Act 57-2014 is the requirement of developing and implementing a "transparent bill". The purpose of the transparent bill is to provide PREPA's customers with detailed information regarding the rates they pay for their electric service and how their payments are applied to PREPA's operational and administrative expenses.

Sub-section (c) of Section 6A of Act 83² provides that PREPA and the Puerto Rico Energy Commission ("Commission") shall develop a plan for the implementation of a transparent bill. Sub-section (b) or Article 6.25 of Act 57-2014 requires the transparent bill format to be approved prior to the Commission's final determination with regards to PREPA's Petition for Permanent Rates ("Petition")³. This way, the new rates approved as a result of such proceeding will be itemized according to the new transparent bill requirements, as approved. Sub-section (c) of Section 6B of Act 83 specifically provides that the new transparent bill shall clearly identify the "charges and credits" applicable to each type of customer, including fuel purchase adjustment, net metering credit, Contribution in Lieu of Taxes, subsidies, the Transition Charge and base rate, among others. Act 83 further identifies the charges that may be included within the base rate charge.

In order to comply with the aforementioned, the Commission has determined to hold a procedure for the approval of PREPA's new transparent bill. In such proceeding, PREPA will provide the Commission with its proposal of the new transparent bill, pursuant to the requirements set forth by Act 57-2014 and Act 83. The Commission will issue the requirement of information that it deems necessary for the evaluation of PREPA's proposal. Also, the Commission will accept written comments and hold public

¹ The Puerto Rico Energy and RELIEF Act, as amended.

² Act 83 of May 2, 1941, as amended, known as Puerto Rico Power Authority Act.

³ Case Number CEPR-AP-2015-0001.



hearings, in order to promote ample public participation with the purpose of guaranteeing that the approval of the new transparent bill benefits from public scrutiny.

Therefore, the Commission hereby **ORDERS** PREPA to submit, **no later than September 15, 2016**, its proposed new transparent bill design, for each customer category, including an explanation of how the proposed new transparent bill complies with the requirements set forth in Act 57-2014 and Act 83. PREPA shall file its proposal at the Clerk's Office, temporarily located at the Puerto Rico Telecommunications Regulatory Board, 500 Ave, Roberto H Todd, San Juan, 00907. Electronic copy of the filing, in searchable PDF format, must be sent to the following addresses: afigueroa@energia.pr.gov, tnegron@energia.pr.gov, legal@energia.pr.gov and mcintron@energia.pr.gov.

As part of its proposal, PREPA shall provide, along with any other relevant information, the following:

1. A copy of an actual customer bill from a recent month for each current tariff rate. Specific customer identifying information must be redacted, however, billing determinants, rates and charges must be clearly shown.
2. Describe in detail and show how PREPA proposed transparent bills comply with sub-section (c) of Section 6B of Act 83.
3. For illustrative purposes, provide billings for a customer taking electricity service from PREPA under each tariff rate proposed by PREPA in Case No. CEPR-AP-2015-0001. To comply with this requirement, PREPA shall base its models in the revenue requirement and rate design proposed in Case No. CEPR-AP-2015-0001, without construing this as an approval from the Commission of the such revenue requirement or rate design. PREPA must show how each item would be shown on the customer billings.
4. Identify and describe any and all known limitations with PREPA's current customer billing systems that would limit the implementation of a transparent bill as required by Act 57-2014. If there is any limitation, PREPA shall proposed a plan to resolve such constraints.
5. Identify the personnel at PREPA responsible for designing and administering customer billing, including determining the content of customer bills.

This proceeding shall be separate and independent from the ongoing review of PREPA's permanent rates and, therefore, PREPA must provide any information required in this proceeding, even if such information has already been previously provided by PREPA through another proceeding.

The date, time and place of any public hearings will be timely notified by the Commission, along with instructions for filing written public comments.

For the benefit of all the parties involved, the Commission issues this Resolution and Order both in English and Spanish languages. Should any discrepancy between each language arise, the Spanish language version shall prevail.

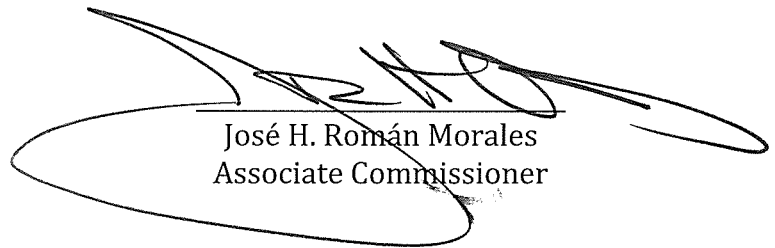
Be it published and notified.



Agustín F. Carbó Lugo
President

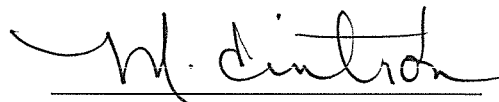


Ángel R. Rivera de la Cruz
Associate Commissioner



José H. Román Morales
Associate Commissioner

I hereby certify that the Puerto Rico Energy Commission has so agreed on August 16, 2016. I also certify that on this date a copy of this Resolution and Order was notified by electronic mail sent to: n-ayala@aepr.com and c-aquino@aepr.com.



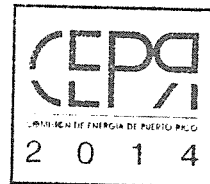
María del Mar Cintrón Alvarado
Clerk

CERTIFICATION

I certify that this is a true and exact copy of this Resolution and Order issued by the Puerto Rico Energy Commission. I further certify that today, August 17, 2016, I have proceeded with the filling of this Resolution and Order and I have sent a copy thereof to:

Puerto Rico Electric Power Authority

Attn.: Nérida Ayala Jiménez
Carlos M. Aquino Ramos
P.O. Box 363928
Correo General
San Juan, PR 00936-4267



For the record, I sign this in San Juan, Puerto Rico, today, August 17, 2016.



Handwritten initials:
JRM
LH
SL