



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

**IN RE: PUERTO RICO ELECTRIC POWER  
AUTHORITY RATE REVIEW**

**CASE NO.: CEPR-AP-2015-0001**

**SUBJECT:** Rebuttal Testimony Late Filing;  
Panel Correction; Commission's Experts  
Reports.

**RESOLUTION**

**I. Late filing of rebuttal testimony**

The Puerto Rico Energy Commission ("Commission") required the Puerto Rico Electric Power Authority ("PREPA") to file its rebuttal testimonies by November 10, 2016. On such date, PREPA filed a motion requesting an extension until November 16, 2016, which was granted by the Commission.

On November 16, 2016 PREPA filed part of its rebuttal testimony accompanied by a motion notifying the Commission that it was not able to file several testimonies in time and therefore requested an extension to file such testimonies by Thursday, November 17, 2016. Specifically, PREPA argued that the rebuttal testimonies from Javier Quintana-Méndez<sup>1</sup>, Lisa Donahue<sup>2</sup> and the panel testimony of Javier Quintana-Mendez, Antonio Pérez Sales and Virgilio Sosa<sup>3</sup> were not completed due to lack of availability from the witnesses to approve the final testimonies.

On November 18, 2016, PREPA filed two of the three missing testimonies, Ex. 19.0 Lisa Donahue and Ex. 21.0 Javier Quintana-Mendez, Antonio Pérez Sales and Virgilio Sosa. PREPA did not file Ex. 18.0 Javier Quintana-Méndez as notified in its November 16, 2016 motion.

After reviewing PREPA's arguments, the Commission **DENIES** PREPA's request for leave to file the testimonies. The Commission's deadline for PREPA to file its rebuttal testimony was November 16, 2016. The strict period of time established by Act 57-2014<sup>4</sup> for the Commission to issue a final determination in the instant proceeding requires PREPA to work diligently in providing the Commission with the necessary information to make a complete and comprehensive analysis of PREPA's Petition to Review Rates. The multiple time extension requests and delays in the information submittal impair the Commission's ability to do its job and comply with the statutory deadline. The rebuttal testimony of

<sup>1</sup> Ex. 18.0 Javier Quintana-Méndez.

<sup>2</sup> Ex. 19.0 Lisa Donahue.

<sup>3</sup> Ex. 21.0 Javier Quintana-Mendez, Antonio Pérez Sales and Virgilio Sosa.

<sup>4</sup> Puerto Rico Energy Transformation and RELIEF Act, as amended.

Donahue and panel testimony of Quintana, Pérez and Sosa were filed after the deadline, therefore they are hereby rejected. PREPA shall file no more rebuttal testimonies.

## **II. Corrections to Panel Distribution Resolution**

On November 18, 2016, the Commission issued a Resolution and Order notifying all parties the procedural rules and composition of the witness panels during the technical hearings. Due to clerical error, the witnesses included in **Panel F** were incorrect. The correct witnesses that shall appear before the Commission during **Panel F** are as follows:

### **Panel F: Methods for updating rates and ensuring prudence**

**Commencement Date:** December 8, 2016

#### **Witnesses:**

Hemphill for PREPA

Woolf for Commission Staff

Kunkel and Sanzillo for ICSEPR

Masses for Manufacturers Association

In addition, on **Panel D** the name of the witness for the Hospital Associations was omitted. For this panel the Commission also calls Mr. Plá Cortes.

## **III. Commission's Experts Reports**


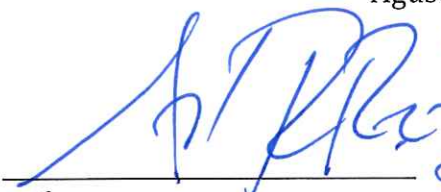

The Commission hereby notifies all parties that it will publish five reports authored by the Commission's technical consultants. These reports will address the following subjects: Revenue Requirement Equation, authored by Ralph Smith and Mark Dady; Financial Issues, authored by Steven Hill; Reasonableness of Costs, authored by Jeremy Fisher and Ariel Horowitz; Revenue Allocation, Rate Design and Distributed Generation, authored by Paul Chernick; and Methods for Updating Rates and Ensuring Prudence, authored by Tim Woolf.

The Commission's experts will appear on the panels as indicated on the November 18, 2016 Resolution and Order and will be available for examination by the parties during the technical hearings. The Commission has determined to publish its technical expert reports in order to provide all parties an opportunity to comment on the analysis conducted, and recommendations made, by the Commission's consultants. The Commission has determined that doing so is consistent with the provisions of Act 57-2014 regarding the transparency of the proceedings. In addition, it will ensure an ample and adequate exchange of information and ideas, which will ultimately result in a well-informed and duly-grounded final determination by the Commission. The Commission's technical experts are part of the Commission's staff and shall not be considered as parties to the case, therefore their reports are not subject to discovery. In preparing their reports consultants based their analysis in the information filed by PRPEA in its Petition for Rate Reviews and the responses and information filed during discovery. All reports will be circulated no later than **Wednesday, November 23, 2016**.



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

Be it notified and published.

 <hr/> Agustín F. Carbó Lugo Chairman	
 <hr/> Ángel R. Rivera de la Cruz Associate Commissioner	 <hr/> José H. Román Morales Associate Commissioner

## CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Commission has so agreed on November 24, 2016 and on this date a copy of this Resolution was notified by electronic mail to the following: n-ayala@aepr.com, c-aquino@aepr.com, glenn.rippinge@r3law.com, michael.guerra@r3law.com, john.ratnaswamy@r3Law.com, codiot@opic.pr.gov, jperez@oipc.pr.gov, mmuntanerlaw@gmail.com, jfeliciano@constructorespr.net, abogados@fuerteslaw.com, jose.maeso@aae.pr.gov, edwin.quinones@aae.pr.gov, nydinmarie.watlington@cemex.com, aconer.pr@gmail.com, epenegypr@gmail.com, jorgehernandez@escopr.net, ecandelaria@camarapr.net, pga@caribe.net, manuelgabrielfernandez@gmail.com, eirizarry@ccdlawpr.com, agraitfe@agraitlawpr.com, maribel.cruz@acueductospr.com, mgrpcorp@gmail.com, attystgo@yahoo.com and pnieves@vnblegal.com.


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 María del Mar Cintrón Alvarado  
 Clerk

I also certify that today, November 22, 2016, I have proceeded with the filing of the Resolution issued by the Puerto Rico Energy Commission and I have sent a true and exact copy to the following:

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For the record, I sign this in San Juan, Puerto Rico, today, November 22, 2016.

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María del Mar Cintrón Alvarado  
Clerk