

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



IN RE: NEW TRANSPARENT BILL; § 6B(C)
OF LAW NO. 83, AS AMENDED

NO.: CEPR-AP-2016-0002

SUBJECT: Final Resolution and Order.

FINAL RESOLUTION AND ORDER

The Puerto Rico Energy Commission ("Commission") has the responsibility of ensuring transparency and accountability in the operations of the Puerto Rico Electric Power Authority ("PREPA"). With the purpose of pushing forward this objective, the Commission adopts and approves the New Transparent Bill for the Puerto Rico Electric Power Authority ("New Transparent Bill") pursuant to Article 6.25 of Act 57-2014,¹ and of Sections 6A(c) and 6B(c) of Act No. 83.²

I. Introduction

All consumers of electric service are subject to being billed for their consumption. The bill, which reflects the costs incurred by the electric service company for providing its services, is the mechanism by which an electric service company informs its consumers about the amount of money the consumer must pay for the electric service received. Said costs are also part of a proceeding for the review of rates, in which electric service companies, like PREPA, must ground, justify and explain them. Consequently, the billing of electric service must be designed jointly and be informed by the proceedings on the review of rates. This responds to the fact that the goal of a bill is precisely to inform the customer about how its electric consumption habits relate to the approved charges and tariffs, which will be used to bill for this service.

Act 57-2014 defined the term "electric bill" as "the invoice sent every month to customers or consumers stating in detail all components, charges or rates that are part of the total amount that every customer or consumer must pay for using electricity."³ Since electric service is an essential service, the cost associated with it, for individuals as well as for society, makes the scrutiny and supervision of the electric service billing an issue of particular interest for consumers.

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

² Act No. 83 of May 2, 1941, as amended, known as the Puerto Rico Electric Power Authority Act.

³ Section 1.3(u), Act 57-2014, as amended.

A. Why a “transparent bill”?

Act 57-2014 introduces significant reforms directed to promote transparency in PREPA’s operations. One of the objectives of these reforms is to regain consumers’ trust in the entity that is one of the pillars of the present and future development of Puerto Rican society. The reforms driven by Act 57-2014 included the adoption of a “transparent bill” with the purpose of identifying “in a detailed manner the categories of different charges and credits to the consumer.”⁴

B. Opacity of the charges in the adjustment clauses and its relationship with PREPA’s costs and inefficiencies

The last revision of PREPA’s rates occurred in the year 1989. While the rates have not been revised in almost three decades, PREPA has turned to other strategies to recover from its customers the variable costs of electric service. Part of the change in PREPA’s costs, and in the prices that consumers pay, has been reflected in the charges billed through the fuel adjustment clause and the purchased power clause. The purpose of these two tariff clauses is to recover the variable costs associated with the purchase of the fuel that is used in PREPA’s generation plants, as well as for the purchase of power from independent cogenerators, independent producers of renewable energy, and the purchase of renewable energy certificates (“RECs”), among others, to supply energy to Puerto Rico’s electric grid, which is operated and administered by PREPA.

The charges established in these clauses are adjusted monthly by means of a series of procedures that lead to the adjustment on the basis of an arithmetic formula, according to the change in the variables that make up the formula. The fluctuation in the prices of electricity that consumers have experienced in Puerto Rico since 1989 respond primarily to the changes in the aforementioned variables, prominent among which is the fluctuation in the price of a barrel of oil, which is the main source of fuel for PREPA’s generating fleet.

The general perception, both in public and academic discussion, is that among the components of the formulas that determine the adjustment charges, a number of costs that are unrelated to the purchase of fuel or energy have been included. Through these adjustment clauses, PREPA has recovered the costs of the contribution in lieu of taxes (“CILT”), of PREPA’s different subsidies⁵ and other obligations, as well as debt payments, among others. Consequently, the adjustment clauses are very complex and difficult to understand for consumers. Specifically, it is difficult for consumers to understand which are the exact costs that caused the monthly “adjustment” in their bill.

The objective of this proceeding is to redesign PREPA’s bill so that it allows the consumer to understand the relationship between the customer’s consumption of electric

⁴ Section 6B(c), Act No. 83, as amended.

⁵ Prior to the approval of Act 4-2016, Electric Power Authority Revitalization Act, Section 22 of Act No. 83 ordered PREPA to recover costs from the CILT and subsidies by means of the fuel adjustment and power purchase clause.

service and the charges and rates approved by the Commission. The new transparent bill must be a tool for consumers, given that a clearer and fuller knowledge of their electricity consumption would them consumer to make better informed decisions about their consumption; decisions which are consistent with the social and individual objective of using energy in an efficient and conscious manner. With a transparent bill, consumers will be direct participants in the necessary changes in the electric sector.

II. Legal Basis

A. *Minimum requirements of the new transparent bill*

Part (c) of Section 6B of Act No. 83 imposes on PREPA the duty to “design and submit to the Energy Commission a new electric bill for each class of customer of [PREPA] [. . .].”⁶ This new transparent bill must “itemize the categories of the different charges and credits to customers” which must include: (1) the adjustment for fuel purchase; (2) the adjustment for energy purchase from cogenerators and renewable energy producers; (3) the net metering credit; (4) the contribution in lieu of taxes and subsidies created under special laws; (5) the Transition Charge; and (6) the Base Rate Charge, “which shall include the account service and management fee, energy consumption charge, operating expenses, energy theft, electricity loss, debt payment not included in the Transition Charge, accounts receivables from the public sector, accounts receivables from the private sector, and any other charge that has an impact on the bill of residential and commercial customers.”⁷

The Commission, in its process of evaluating and approving the new transparent bill proposed by PREPA, has broad discretion with respect to the charges to be included in the transparent bill, pursuant to the criteria established in the referenced Section 6B(c). Accordingly, the abovementioned section establishes that:

Any other detail in connection with rates and charges that the Commission deems should not be included in the bill shall be published and explained in the websites of the Authority and the Commission. The new bill should be totally transparent and shall be approved by the Commission, provided that it complies with the rules established by [this Act]. The new bill shall not include or encompass any other charge or fee under the fuel purchase or energy purchase items other than that approved by the Commission in accordance with the mandates of [this Act] and the Energy Transformation and RELIEF Act [. . .].⁸

Meanwhile, Section 6A of said Act No. 83 establishes that “[PREPA] and the Commission shall establish a plan for the implementation of the new transparent bill.”⁹

⁶ Section 6B(c) of Act No. 83, as amended.

⁷ *Id.*

⁸ *Id.*

⁹ Section 6A(c), Act No. 83, as amended.

In addition, pursuant to Section 22(b)(1) of Act No. 83, PREPA must detail the charges for the contribution in lieu of taxes and the subsidies created by special laws. According to said Section (b)(1):

As of the effective date of the new rate, the Authority shall compute annually the cost of subsidies, grants, and contributions granted under laws in effect, rural electrification programs, public irrigation systems, public lighting system, and the contribution in lieu of taxes (CILT), and shall establish as a separate charge in its transparent bill the cost of the CILT and all other aforementioned subsidies as follows:

- a. Payment equal to municipal taxes, CILT;
- b. Cost of subsidies, contributions, public lighting, rural electrification programs, and public irrigation system.¹⁰

Additionally, Article 6.27 of Act 57-2014, establishes the general requirement that every bill for electric service include a notice to consumers about their right to object the bill. To that end, part (b) of the abovementioned Article 6.27 states:

Every invoice that a certified electric power service company issues to its customers shall conspicuously advise all customers that they have thirty (30) days to dispute the same, pay the amount corresponding to the average of undisputed bills during the last six (6) months, and request the electric power service company to conduct an investigation, all of this without affecting the service.¹¹

This requirement came into effect¹² and must be implemented according to the provisions of Section 3.01 and 3.02 of Regulation 8863.¹³ Section 3.01 of Regulation 8863 establishes that each bill “must be written in a **clear and simple manner, so that it is easy to follow**, without the person needing specialized knowledge for its comprehension.”¹⁴ Likewise, Section 3.02 of Regulation 8863 establishes a set of specific characteristics that must be included in the notice about the customer’s right to object the bill,¹⁵ pursuant to Article 6.27 of Act 57-2014. The provisions of Article 6.27 of Act 57-2014 and of Section 3.02 of Regulation 8863 are applicable to all electric service bills, as defined in Act 57-2014, and not only to the new transparent bill that we approve for PREPA today.

¹⁰ Section 22(b), Act No. 83, as amended.

¹¹ Article 6.27, Act 57-2014, as amended.

¹² See Article 8, Act 152-2014 (“Articles 6.27 and 7.02 of Act 57-2014 will come into effect on the same date in which the Energy Commission’s regulations related to the process to revise the electric service bill come into effect.”). Translation provided.

¹³ Regulation on the Procedure for Bill Review and Suspension of Electric Service due to Lack of Payment approved by this Commission on November 23, 2016.

¹⁴ Section 3.01, Regulation No. 8863. Emphasis and translation provided.

¹⁵ See Section 3.02, Regulation No. 8863.

B. What is a “totally transparent” bill?

Act No. 83 requires that the new transparent bill be “totally transparent”.¹⁶ However, the statute does not provide a specific definition for what constitutes a “totally transparent” bill. In order to fulfill our adjudicative role in this procedure, the Commission has exercised its broad powers, about the basis of the principles discussed in Section I of this Final Resolution and Order, with the purpose of defining the term “totally transparent bill”.

The Commission interprets that a “totally transparent bill” is a simple bill that is clear and discernible for the consumer. First, this means that all the charges that are itemized in the bill correspond with the costs incurred by PREPA to provide electric service. Second, it is a bill that can be understood by the consumer, with the purpose of placing the consumer in a better position to make informed decisions about its electricity consumption.

Charges must reflect the costs that are reasonably distinguished by the consumers, that offer them clear price signals, in which they can trust to adjust their energy consumption patterns to more efficient energy consumption patterns. Therefore, the new bill must have an itemization of the charges that correspond to the scheme of charges and costs approved by the Commission in the proceeding for the review of PREPA’s rates.¹⁷

This interpretation is consistent with the mandate in Section 6B(c) of Act No. 83 establishing that “[t]he new bill shall not include or encompass any other charge or fee under the fuel purchase or energy purchase items other than that approved by the Commission in accordance with the mandates of [this Act] and the Energy Transformation and RELIEF Act.”¹⁸

The “transparent bill” seeks to facilitate consumers’ understanding of their bills, therefore a bill that does not meet this requirement should not be considered a “totally transparent” bill. Thus, a bill that itemizes each and all the possible categories of charges and costs (which could be dozens, or even hundreds of items), as detailed and thorough as it may be, could not be considered a “totally transparent” bill, since it would put the consumer in the situation of having to navigate and manage a dense, long and complex document; it would not be a simple, clear and discernible bill. In this sense, this Commission determines that an itemization of each and every possible cost in an electric bill does not contribute to a bill that is “totally transparent”.

C. Why does the Commission need to approve a new transparent bill now?

Sub-part (b) of Article 6.25 of Act 57-2014 establishes that the result of the first review of rates of PREPA is implemented pursuant to the new transparent bill. Accordingly, the aforementioned Article 6.25 establishes that “[t]he approved rate must be in the format

¹⁶ Section 6B(c), Act No. 83, as amended.

¹⁷ Case No. CEPR-AP-2015-0001, In Re: Review of Rates of the Puerto Rico Electric Power Authority.

¹⁸ Section 6B(c), Act No. 83, as amended.

of the new transparent bill established in Sections 6A and 6B of Act No. 83 of May 2, 1941, as amended.”¹⁹

While this statute does not establish a term to approve this new transparent bill, it does require that, when implementing the newly approved tariff approved by the Commission, PREPA use the format of the new transparent bill. The approval of said new transparent bill is, by default, a necessary condition for the implementation of the new tariff. Therefore, the most reasonable interpretation of the applicable statutory provisions is that the new transparent bill must be approved before the new rate comes into place. In this manner, PREPA may implement and proceed with billing its customers the new rate, following the format of the transparent bill.

D. Other charges

As we have previously discussed, the adoption of the new transparent bill is closely linked to the proceeding on the review of PREPA's rates. Article 6.25 of Act 57-2014 gives PREPA the faculty to propose, in its rate review petition:

[. . .] one or more itemized charges included in the energy rate so that all customers may clearly recognize the charges that they shall be paying on account of the Authority's obligations to bondholders. These charges may be reviewed according to the amount of the financial obligations of the Authority so that they may be sufficient to guarantee the annual payment of the debts contracted with bondholders and other creditors of the Authority. In addition, the Authority shall establish separately the charge corresponding to the cost of subsidies and the contribution in lieu of taxes and those other charges that, when itemized separately, allow for greater transparency in the bill, as provided in Act No. 83 of May 2, 1941, as amended.²⁰

III. Procedural Background

Through Resolution and Order of August 17, 2016, this Commission ordered PREPA to present its proposal for the new transparent bill. The proposal must have included, for each customer category, an explanation of said proposal's compliance with the requirements and criteria in Act 57-2014 and Act No. 83.

On September 16, 2016, PREPA presented before the Commission its proposal for the new transparent bill.²¹ In said proposal, PREPA included a copy of the actual bill for each customer category corresponding to the month of August 2016.²² Also, PREPA detailed the

¹⁹ Art. 6.25(b), Act 57-2014, as amended.

²⁰ *Id.*

²¹ See PREPA's Compliance Filing Under the Commission's Resolution and Order of August 16, 2016.

²² The month of August 2016 corresponds to the date when the provisional rate approved by the Commission came into effect. See Order Establishing Provisional Rates, Case No. CEPR-AP-2015-0001, June 27, 2016.

information to be presented in the customers' new bill. Specifically, PREPA said that the bills would include:

- a. Service Charge;
- b. Transition Charge;
- c. Fuel Adjustment and Energy Purchase Adjustment²³;
- d. Contribution in Lieu of Taxes;
- e. Subsidies, Public Lighting (Municipal), and other subventions;
- f. Net metering credit²⁴;
- g. Rate detail for each class of customers (Residential, Commercial, Industrial, and account statement for Government Agencies and Municipalities);
- h. Details of consumption;
- i. Details of subsidies and adjustments for customers with different subsidies or discounts (Net Metering, Life Preserve Equipment, Hotel Discount, Low Income (PAN));
- j. Information of the deposit of bond;
- k. Meter reading type (estimate or read);
- l. Date of the next meter reading;
- m. Information of the meter, days of consumption, current and previous meter reading and billing period;
- n. Average daily consumption for previous months (kWh);
- o. Previous balance;
- p. Payments received from the previous billing;
- q. Information related to a payment agreement, if any;
- r. Alternatives and payments methods;
- s. Notification of the process to object a bill; and
- t. Notice of suspension of service (if applicable).

Likewise, as part of its proposal, PREPA presented an sample bill with the proposed format, design, and art. Separately, it included an archive in Excel format, detailing the information to be presented in the bills for each customer category, as proposed by PREPA in the rate review proceeding.²⁵

PREPA incorporated to its filing of the new transparent bill a proposal to itemize separately the charges for its generation, transmission and distribution activities

²³ Based on the difference between the actual costs for fuel in the Contracts for Fuel and Energy Purchase included in the base rate.

²⁴ Said item is the only one not expressly detailed in PREPA's Rate Manual, but will be included in the customers' bills if applicable.

²⁵ Case No. CEPR-AP-2015-0001.

("unbundling"). According to PREPA, this operation is "necessary" to "unbundling of tariffs is necessary in order to properly price the subcomponents of electric service used by each customer and avoid cross-subsidization."²⁶ Lastly, PREPA expressed that providing additional information on the proposal could lead to an increase in billing costs and shipping costs due to a possible increase in the use of materials to print the bills.

On October 28, 2016, the Independent Consumer Protection Office ("ICPO") presented its "*Escrito en Solicitud de Autorización para Intervención*" requesting intervention in the present proceeding. In said document, the ICPO argued that pursuant to the responsibilities and powers granted to it by Act 57-2014, it has the duty of participating and convening as an intervening party, in matters related to the bill for electric service, among others. In particular, when said matters have a direct effect on the electric service consumers' interests. On November 4, 2016, the Commission issued a Resolution and Order granting the intervention of the ICPO in the present proceeding.

On November 1, 2016, with the purpose of ensuring the transparency of the proceedings before the Commission and promoting public participation, the Commission issued a Public Notice in the *Primera Hora* newspaper, in which it invited, over a period of thirty (30) days, to all the parties interested in presenting their comments to the proposal of PREPA's transparent bill.

Moreover, two public hearings were announced for November 16 and 17 of 2016.²⁷ Both hearings were held from 3:00p.m. to 7:00p.m. Through its Order of November 4, 2016, the Commission ordered PREPA to appear to the Public Hearing of November 17, 2016 to present its proposal and be available to answer questions from the Commission, the ICPO and the public in general.²⁸

Throughout the present proceeding, the Commission issued three Requirements of Information to PREPA.²⁹ The purpose of these requirements was to obtain additional information about the process to elaborate the proposed transparent bill, as well as to learn about PREPA's personnel assigned to these tasks. Also, the Commission required updates about the proposal related to the application of the Transition Charge³⁰ and to the recommendations made at the Public Hearing held on November 17, 2016.

²⁶ See Exhibit 4.0 of PREPA's Verified Petition for Approval of Permanent Rates and Temporary Rates, May 27, 2016, at 28. Emphasis supplied.

²⁷ On November 16, 2016, the Public Hearing was held in the Pontifical Catholic University of Puerto Rico, Ponce Campus. On November 17, 2016, the Public Hearing was held in the Commission's Hearing Room, located in the Seaborne Building, 268 Ave. Muñoz Rivera, 8th Floor.

²⁸ PREPA and the ICPO participated in the public hearing held on November 17, 2016. During said hearing, PREPA formally presented its proposal. The Commission and the ICPO asked PREPA's officials questions related to PREPA's proposal. The ICPO made several recommendations during the public hearing that were part of the analysis made by the Commission at the time of issuing its final ruling in this proceeding.

²⁹ The Requirements of Information were notified on September 30, 2016, October 21, 2016 and November 22, 2016.

³⁰ Restructuring Order, Case No. CEPR-AP-2016-0001, In Re: Petition for a Restructuring Order filed by the Puerto Rico Electric Power Authority Corporation to the Puerto Rico Energy Commission.

On November 21, 2016, the ICPO presented before the Commission a “*Escrito en Solicitud de Orden*” (“ICPO’s Order Request”).³¹ In said Request, the ICPO recommended adding its Office’s description and contact information on the back of the bill, for the knowledge of electric service consumers.³² Separately, it requested that this information be added in the following bills: Residential Service GRS 112; Residential Service GRS-111; GRS 112 Net Metering (“Grandfathered”); GRS 112 Net Metering (“Non-Grandfathered”); LRS 109 (PAN); LRS 110 (PAN); RH3 104 Public Housing; RH3 103 Public Housing; RPR 106 Fixed Tariff for Public Housing; GSS Secondary Commercial/Industrial y Primary GSP Commercial/ Industrial.³³ The Commission accepted the ICPO’s Order Request and incorporated it as one of the comments presented in the present proceeding.³⁴ It was evaluated as part of the analysis made by the Commission in the process leading to our final ruling.

On December 22, 2016, the ICPO notified its “First Request for the Production of Documents” (“Request”) to PREPA. In its Request, the ICPO requested PREPA to provide, at the back of the bill, an itemization of the subsidies included in the “Charge for Subsidies, Public Lighting and other Subventions”, as well as the percentage that each subsidy represents in the total charge. In the same manner, it requested that, all charges included in the “Base Charge” be itemized in the back of the bill, as well as the percentage that each of these charges represents in the total charge. The ICPO requested, also, that the bill include “a parenthesis with the equation of the product that includes the quantity per kilowatt-hours and the unitary value”³⁵ corresponding to the “Net Metering Credit” and the “Grandfathering Charge for Net Metering”. Finally, the ICPO requested the editing of certain errors in the text of the lines of information in the bill. The Commission accepted said Request as part of the written comments given that, instead of a request of information to PREPA, the Request presented recommendations to be considered by the Commission in its final ruling.³⁶

IV. Final Ruling

Having concluded the process of revising and evaluating PREPA’s proposal, through this Final Resolution and Order, the Commission establishes the requirements with which the new transparent bill must comply, pursuant to the requirements of Articles 6.25 and 6.27 of Act 57-2014, Sections 6A(c) and 6B(c) of Act No. 83, and Sections 3.01 and 3.02 of Regulation 8863.

Accordingly, the Commission **ORDERS** the following changes to PREPA’s proposed electric service bill:

³¹ See ICPO’s Order Request, November 21, 2016.

³² *Id.*, at 2.

³³ *Id.*, at 3-4.

³⁴ See Resolution, Case No. CEPR-AP-2016-0002, November 22, 2016.

³⁵ See First Requirement of Production of Documents from the ICPO, December 22, 2016, at 5.

³⁶ See Resolution, Case No. CEPR-AP-2016-0002, January 4, 2017.

A. Cover of the Bill:

1. The Commission does not approve the unbundling in terms of “Generation”, “Transmission” and “Distribution”, in the lines of information related to “Energy Charge” and “Demand Charge”. The lines of information must **not** be itemized as presented in the proposal. The information related to “Total Energy Charge” and “Total Demand Charge” shall be presented followed by a parenthesis with an arithmetic expression “(## kWh x ## \$/kWh) or “(## kW x ## \$/kW)” that corresponds to said charge. This determination is consistent with the Commission’s determination in the rate case proceeding, in which PREPA’s proposal for unbundling generation, transmission and distribution energy charges was not accepted.³⁷
2. For clarity purposes and to provide more information to consumers, all the lines of information presented in the bill corresponding to Service Charges must include an arithmetic expression “(## kWh x ## \$/kWh)”. This also includes credits made to the customer (eg. “Net Metering Program Credit”, “Adjustments to the Transition Charge due to Net Metering Grandfathering among others). This determination is consistent with the ICPO’s recommendations in its Requirement of December 22, 2016.
3. In the bills of customers subscribed to the Net Metering Program, the lines of information presented in the section of “Reconciliation Clauses and Riders” that contain credits to the customer (eg. “Net Metering Credit”, “Adjustments to the Transition Charge due to Net Metering Grandfathering”, among others) must be located at the end of the list, after all the applicable charges to the customer. The Commission understands that said format provides more clarity, transparency and a better structure to the bill, which will help consumers understand their electric bill.
4. The graphic bars that present historic information about the “Cost per kWh” and the “Consumption History” will remain as presented in the current electric service bill. Consequently, at this time we reject the substitution proposal made by PREPA. The Commission concludes that a graphic representation of

³⁷ See Final Resolution and Order, CEPR-AP-2015-0001, January 10, 2017, at 129:

As we have stated regarding other PREPA proposals, this short, intensive rate proceeding is not an optimal time to consider this type of proposal. Furthermore, simply disaggregating generation, transmission and distribution does not provide customers with information truly relevant to their decisions. The consultants’ “unbundling” proposal ignores the elementary distinction between cost unbundling (separate statement of costs) and service unbundling (allowing customers to purchase certain services without purchasing others, as in buying coffee without the coffee cup). In addition, the information relevant to both cost unbundling and service unbundling is not merely generation vs. transmission vs. distribution, but avoidable vs. unavoidable costs, sunk costs vs. future costs, and strandable costs vs. non-strandable costs. Therefore, the proposed “unbundled” rates are rejected.

the information related to costs will assist the consumers in understanding their electric bill.

B. Back of the Bill

1. PREPA must include in the back of the bill the charges included in the line of information about "Service Charges". In this manner, we accept in part the ICPO's recommendation in its Requirement of December 22, 2016. The information that is detailed in the art at the back of the bill must correspond to that which is included or is common for each customer class. The Commission determined that detailing more information than that established in this ruling on the back of the bill would not meet the objective of the bill to be clear. Notwithstanding, PREPA must indicate in the back of the bill that a completely detailed itemization of said charge will be available for each tariff code in its website, as well as in PREPA's its regional and commercial offices.
2. PREPA must include in the back of the bill the name of the subsidies included in the line of information "Subsidies, Public Lighting (Municipal) and other Subventions". In this way, we accept part of the recommendation that the ICPO made in its Requirement of December 22, 2016. PREPA must indicate that a completely detailed itemization of said subsidies will be available in its website, as well as in PREPA's its regional and commercial offices. Said detailed itemization will indicate the percentage that each subsidy included in the "Subsidies, Public Lighting (Municipal) and other Subventions" represents, as well as the total annual amount in dollars for each of these. This, pursuant to the requirements of Act 57-2014 of providing the consumers with transparency for the charges included in their bill, in a detailed and precise manner.
3. The text of the following sections presented on the back of the bill must be modified. Said modification seek to provide greater clarity to consumers about the information included in each section, as detailed below:³⁸

Bill Objection

Every customer shall have the right to object their bill and to request an investigation of the same. The customer shall have until the bill expiration date to pay the same, or to present their objection. In order to object or to request an investigation, which shall not affect the customer's electric service, the customer must pay the amount corresponding to the average of the non-objected bills during the 6 months prior to the objected bill. In the case there aren't at least 6 months of non-objected bills, the customer must pay the amount

³⁸ The back of the bill will be provided in the Spanish language. PREPA must specify within the back of the bill that the English version of the text will be available in PREPA's website.

corresponding to the average of the prior non-objected bills. If the objected bill is the first bill issued by PREPA to the customer, the customer must pay the sum equivalent to the deposit that was required at the time of subscription of the electric service contract or the sum of the objected bill, whichever is less. In case the average amount of the non-objected bills is greater than the objected bill, the customer must pay the sum of the objected bill.

Any customer may present its objection request or a bill investigation personally in the Commercial Office of the customer's preference, by e-mail through the "*Mi Cuenta*" section in PREPA's website (www.aeepr.com), by telephone calling 787-521-3434 or by mail to P.O. Box 364267, San Juan, P.R. 00936-4267.

Puerto Rico Energy Commission (PREC)

You may contact the PREC through the www.energia.pr.gov website, calling 787-523-6262, through e-mail (cepr@energia.pr.gov), or by mail to Edificio Seaborne, 268 Ave. Muñoz Rivera, Nivel Plaza, Ste. 202, San Juan, P.R. 00918.

Independent Consumer Protection Office (ICPO)

The Independent Consumer Protection Office educates, guides, assists and represents consumers of electricity in Puerto Rico. If you have any situation with your electricity provider you may reach the ICPO by telephone at 787-523-6962, by Fax at 787-523-6961, through e-mail (info@oipc.pr.gov) or by mail at 268 The Hato Rey Center, Suite 524, Piso 5, Ave. Ponce de León, San Juan, P.R. 00918.

4. PREPA must eliminate the section on "Net Metering" in the back of the bill. Said information shall be available on the cover of the bill.

PREPA must use the new transparent bill, as approved in the present Final Resolution and Order, when implementing the tariffs approved by the Commission in the Review of Rates.³⁹ At the same time, as part of the compliance filing ordered in the Final Resolution and Order, CEPR-AP-2015-0001, PREPA must file before the Commission the format, design and art corresponding to the new transparent bill that is consistent with this Final Resolution and Order, for each customer category or tariff code.

* * *

³⁹ Case No. CEPR-AP-2015-0001.




Any party adversely affected by this Final Resolution and Order may file a motion for reconsideration before the Commission, pursuant to Section 11.01 of Regulation 8543 and the applicable provisions of Act No. 170 of August 12, 1988, as amended, known as the Uniform Administrative Procedure Act ("UAPA"). Said motion must be filed within twenty (20) days from the date in which copy of the notice of this Final Resolution and Order has been filed. Said motion must be filed at the Commission's Clerk's Office, located at Seaborne Building, Plaza Level, Ste. 202, 268 Muñoz Rivera Ave., San Juan, PR 00918. Copy of the motion as filed must be sent by email to all the parties notified of this Final Resolution and Order within the timeframe established herein.

The Commission shall consider said motion within fifteen (15) days from the date in which said motion is filed. If the Commission rejects it forthright or fails to act upon it within said period of fifteen (15) days, the term to seek judicial review shall begin on the date in which the Commission notifies such denial or the date in which said fifteen (15) day expires, whichever occurs first. If the Commission considers the motion, the term to seek judicial review shall commence from the date a copy of the notice of the Commission's resolution definitively resolving the motion for reconsideration is filed. Such resolution shall be issued and filed within ninety (90) days after the motion for reconsideration has been filed. If the Commission's considers the motion for reconsideration but fails to take any action with respect to such motion within ninety (90) days of its filing, it shall lose jurisdiction to consider it and the term to seek judicial review shall commence upon the expiration of said ninety (90)-day term, unless the Commission, for just cause and within those ninety (90) days, extends the term to resolve for a period that shall not exceed thirty (30) days.

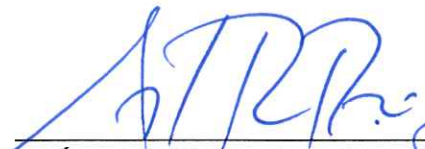
In the alternative, any affected party may file a petition for review before the Court of Appeals within a term of thirty (30) days from the date a copy of the notice of this Final Resolution and Order was filed in the record of the Commission. This in accordance with Section 11.03 of Regulation No. 8543, the applicable dispositions of UAPA and the rules and regulations of the Court of Appeals.

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

Be it notified and published.



Agustín F. Carbó Lugo
Chairman



Ángel R. Rivera de la Cruz
Associate Commissioner



José H. Román Morales
Associate Commissioner



CERTIFICATION

I hereby certify that the Puerto Rico Energy Commission has so agreed on January 10, 2017. I also certify that a copy of this Final Resolution and Order was notified by electronic mail to the following: n-vazquez@aeep.com, n-ayala@aeep.com, codiot@oipc.pr.gov y jperez@oipc.pr.gov. I further certify that on January 11, 2017, I have proceeded with the filing of this Final Resolution and Order and I have sent a copy thereof to:

**Autoridad de Energía Eléctrica
de Puerto Rico**

Attn.: Nélida Ayala Jiménez
Nitza D. Vázquez Rodríguez
PO Box 364267
Correo General
San Juan, Puerto Rico 00936-4267

**Oficina Independiente de Protección al
Consumidor**

p/c Lcdo. José A. Pérez Vélez
Lcda. Coral Odio Rivera
Hato Rey Center
268 Ave. Ponce de León
Suite 524
San Juan, Puerto Rico 00918

For the record, I sign this in San Juan, Puerto Rico, today, January 11, 2017.

María del Mar Cintrón Alvarado
Clerk