

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

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IN RE: REVIEW OF THE PUERTO RICO  
ELECTRIC POWER AUTHORITY  
FY19 RATES

NO. CEPR-AP-2018-0002

**SUBJECT:** PREPA'S (1) COMPLIANCE  
FILING FOR ITEMS DUE AUGUST 10,  
2018; AND (2) MOTION TO EXTEND  
DUE DATE OF REMAINING ITEMS

**PREPA'S (1) COMPLIANCE FILING FOR ITEMS DUE AUGUST 10, 2018; AND  
(2) MOTION TO EXTEND DUE DATE OF REMAINING ITEMS**

TO THE HONORABLE PUERTO RICO ENERGY COMMISSION:

COMES NOW the Puerto Rico Electric Power Authority ("PREPA") and respectfully submits to the honorable Puerto Rico Energy Commission (the "Commission") PREPA's (1) Compliance Filing for items due August 10, 2018; and (2) Motion to extend the due date for the compliance items currently due August 17, 2018, to a new due date of August 31, 2018. The August 10<sup>th</sup> Compliance Filing portion of this filing consists of information provided in the body of this document and in the Attachments hereto.

**I. BACKGROUND**

1. On May 4, 2018, the Commission issued its Resolution and Order Regarding Rates for Fiscal Year 2019 ("FY2019") (the "May 4 Resolution and Order"), initiating this proceeding. The May 4 Resolution and Order included the Commission's Appendix A, which set forth certain information requirements for PREPA.

2. On May 22, 2018, the Commission issued its Resolution and Order Following Technical Conference (the "May 22 Resolution and Order"). In the May 22 Resolution and Order, the Commission ordered PREPA to submit, no later than May 25, 2018, an annotated version of Appendix A to the May 4 Resolution and Order. The Commission directed that

PREPA's annotated Appendix A should explain: "(a) whether the information is or can be made available, and in what form; (b) for information that is or can be made available, an estimated time of submission that information to the Commission; and (c) for information that cannot be made available, a brief explanation." The Commission also directed that for each item, PREPA should indicate the person responsible for providing the answer.

3. On May 25, 2018, PREPA filed its Response to the May 22 Resolution and Order. As part of its response, PREPA identified certain information requirements for which it was unable to comply and explained why.

4. On June 22, 2018, the Commission issued its Resolution and Order Establishing Calendar for Submission of Information (the "June 22 Resolution and Order Establishing Calendar"). The June 22 Resolution and Order Establishing Calendar in part addressed PREPA's May 25<sup>th</sup> Response, and directed PREPA to provide additional information consistent with Appendix A to the May 4 Resolution and Order. The June 22 Resolution and Order Establishing Calendar also included an Appendix A that set forth certain information requirements and established deadlines for PREPA. Appendix A, items B, C, D, F, G, and H, were due July 13, 2018. Item D is due today, August 10, 2018. Item A is due August 17, 2018.

5. On July 13, 2018, PREPA submitted a compliance filing for the items due on that date. The compliance filing was "informal" because of the electronic format and availability of certain of the items. PREPA asked the Commission to follow up if it wished anything more in relation to the manner in which those items were submitted.

6. Item E is being submitted today. See Section III below.

7. Item A is due August 17, 2018, but PREPA seeks an extension to August 31, 2018. See Section IV below.

## **II. GENERAL POINTS**

8. PREPA wishes to note that the Commission's directives have not fully taken into account the points made in PREPA's prior filings about what information does or does not exist or is or is not available with reasonable and practical efforts.

## **III. ITEM E**

9. For Item E, Question 1: Please see Attachment 1, Excel file "Att1 - PW Management KPI Dashboard 080318.xlsx", for a summary of emergency spending and reimbursement to date, and a dashboard summarizing Project Worksheets ("PWs") that have been obligated, submitted to FEMA, and are currently being prepared. PREPA, the GAR ("Governor's Authorized Representative"), or FEMA representatives develop and provide FEMA/COR3 with background information, contracts, RFPs, invoices, and other materials to support the development of the PWs. FEMA then drafts and finalizes each PW, goes through a review process, then decides whether to obligate funds or not. PREPA will provide the Commission's personnel with a shared folder link by Monday, August 13, 2018, including all relevant PWs downloaded from FEMA's EMMI site.

10. For Item E, Question 2: Please see Attachment [2], Excel file "Att2 - BDO - 6-30-2018 Balances 1746-1747.xlsx" prepared by PREPA's audit firm BDO.

11. For Item E, Questions 3 and 4: No further reports / estimates are available from internal PREPA sources at this time. PREPA refers the Commission to the memorandum describing the formation and role of the Central Office for Recovery, Reconstruction and Resiliency ("COR3"), along with the recently released Economic and Disaster Recovery Plan, linked below. <http://www.p3.pr.gov/assets/cor3-memorandum-2018-001.pdf> and <http://www.p3.pr.gov/assets/pr-transformation-innovation-plan-congressional-submission->



080818.pdf Further linked below are two reports commissioned by the NY state governor and the U.S. Department of Energy, which include estimates and projections of restoration and recovery costs. <https://www.energy.gov/sites/> and [https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/Build\\_Back\\_Better\\_PR.pdf](https://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/Build_Back_Better_PR.pdf)

#### **IV. MOTION TO EXTEND THE DUE DATE OF ITEM A**

12. Item A is phrased in a very general way. Depending on the degree of detail and support intended by Item A, it effectively could be read to call for the development and presentation of a full-blown “revenue requirement” such as is presented in a rate case, something which typically takes a large multi-disciplinary team months to prepare. PREPA will assume that that is not intended. PREPA will assume a higher level of information is requested.


13. Given PREPA’s understanding, PREPA respectfully requests that the due date for Item A be extended from August 17, 2018, to August 31, 2018. PREPA requests a 2-week extension because it is in the process of resolving inconsistencies between the PREPA revised Budget and FOMB revised PREPA fiscal plan certified on August 1, 2018, and has not yet received formal approval of the revised Budget from the FOMB. PREPA thus is not able to comply by August 17th, but currently anticipates that it can comply by August 31st.

WHEREFORE, the Puerto Rico Electric Power Authority respectfully requests that the Honorable Puerto Rico Energy Commission (1) accept this Compliance Filing for Item E and (2) extend the due date for Item A by two weeks to August 31, 2018.

RESPECTFULLY SUBMITTED,

IN SAN JUAN, PUERTO RICO, THIS 10<sup>th</sup> DAY OF AUGUST, 2018

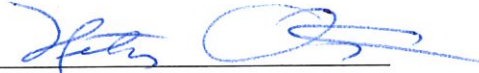
**PUERTO RICO ELECTRIC POWER AUTHORITY**



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**CERTIFICATION OF INFORMAL SUBMISSION**

I hereby certify that on August 10, 2018, I have sent the above Compliance Filing and Motion and its Attachments to the Puerto Rico Energy Commission through (1) its Interim Clerk via emails to [bmulero@energia.pr.gov](mailto:bmulero@energia.pr.gov) and [secretaria@energia.pr.gov](mailto:secretaria@energia.pr.gov) (2) the office of the Commission's internal legal counsel via email to [legal@energia.pr.gov](mailto:legal@energia.pr.gov); and [sugarte@energia.pr.gov](mailto:sugarte@energia.pr.gov); and to [codiot@oipc.pr.gov](mailto:codiot@oipc.pr.gov); [jperez@oipc.pr.gov](mailto:jperez@oipc.pr.gov); [Wilma.lopez@aae.pr.gov](mailto:Wilma.lopez@aae.pr.gov); and [francisco.rullan@ae.pr.gov](mailto:francisco.rullan@ae.pr.gov)



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