



COMISIÓN DE ENERGÍA DE PUERTO RICO

Informe Anual al Gobernador y la Asamblea Legislativa

2017 – 2018

Ing. José H. Román Morales – Presidente Interino

Marzo de 2018



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1 de marzo de 2018

Honorable Ricardo A. Rosselló Nevares  
Gobernador de Puerto Rico  
La Fortaleza, San Juan, Puerto Rico

Honorable Thomas Rivera Schatz  
Presidente del Senado de Puerto Rico  
El Capitolio, San Juan, Puerto Rico

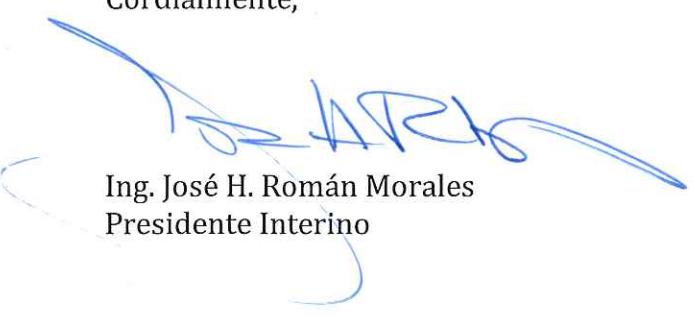
Honorable Carlos Méndez Núñez  
Presidente de la Cámara de Representantes  
El Capitolio, San Juan Puerto Rico

Estimados todos,

Según requerido por el Art. 6.3 (oo) y el Art. 6.38 de la Ley 57-2014, según enmendada, conocida como la Ley de Transformación y ALIVIO Energético, presentamos el Informe Anual sobre la ejecución de los deberes y funciones conferidos a la Comisión de Energía de Puerto Rico mediante la Ley 57-2014. Como verán, hemos asumido con ímpetu las labores de esta institución, hemos atendido importantes asuntos que la Ley 57-2014 nos delegó, y estamos comprometidos con continuar nuestro trabajo de fiscalización y regulación de la industria eléctrica durante el próximo año.

Si lo estiman necesario, estamos en la mejor disposición de discutir el contenido de este informe.

Cordialmente,



Ing. José H. Román Morales  
Presidente Interino

## I. INTRODUCCIÓN

En cumplimiento con lo dispuesto en el Artículo 6.3, inciso (oo), y el Artículo 6.38 de la Ley 57-2014, según enmendada, conocida como Ley de Transformación y ALIVIO Energético, la Comisión de Energía de Puerto Rico (“CEPR” o “Comisión”) presenta este Informe Anual ante el Gobernador y ambos cuerpos de la Asamblea Legislativa de Puerto Rico. Este documento describe el trabajo y logros de la Comisión durante el período comprendido entre el 1 de marzo de 2017 y el 28 de febrero de 2018.

Desde su creación el 27 de mayo de 2014, la Comisión ha tenido la encomienda de ejercer su mandato legislativo de reglamentar, supervisar y hacer cumplir la política pública energética de Puerto Rico. Durante el pasado año, la Comisión ha centrado sus labores en desarrollar y establecer los estándares de desempeño que deben regir la operación de la Autoridad y de la industria energética en Puerto Rico. El fin último de establecer dichos estándares es inducir el desempeño que generaría la competencia efectiva en un mercado.

En miras de mejorar el desempeño de la Autoridad ,y garantizar un servicio eficiente a un costo justo y razonable, los principales procesos ante la Comisión giran en torno a la evaluación de proyectos de infraestructura de la Autoridad, como lo es la evaluación económica del Terminal Marítimo de Gas Natural Licuado de Aguirre. Por otro lado, la Comisión también inició la investigación sobre el desempeño de la Autoridad con el fin de establecer los estándares de desempeño que permitan evaluar y medir la operación de la Autoridad. A su vez, finalizada la revisión tarifaria de la Autoridad, la Comisión determinó evaluar en un proceso separado el estudio de costos de servicio (*cost of service study*) para establecer un diseño tarifario que responda eficientemente a la estructura de la Autoridad y provea las señales de precio correctas. Asimismo, la Comisión ha continuado con los procesos de reglamentación de la industria energética.

A pesar de los esfuerzos concentrados en mejorar el desempeño y operación de la Autoridad, el paso de los huracanes Irma y María por Puerto Rico, ha cambiado la realidad y la situación del mercado energético del país. Dichos eventos atmosféricos destruyeron el sistema eléctrico y resaltaron aún más las deficiencias operacionales y fiscales de la Autoridad. Esto a su vez ha forzado el desarrollo de reglamentación y estrategias para lograr la restauración del sistema, identificar las fallas en los procesos de planificación para atender emergencias, así como repensar la planificación y reconstrucción del sistema eléctrico a largo plazo, incluyendo la introducción de nuevas tecnologías como las microredes.

Paralelo a la situación de emergencia causada por los huracanes Irma y María, la Comisión también se encuentra en el proceso de análisis del Plan Fiscal presentado por la Autoridad a la Junta de Supervisión Fiscal de Puerto Rico. En su función como ente regulador de la

industria energética del país, y velando por la cabal y efectiva ejecución de la política pública, la Comisión debe garantizar que dicho plan sea cónsono con el Plan Integrado de Recursos aprobado por la Comisión, así como permitir a la Autoridad cumplir con todas sus responsabilidades y obligaciones a la vez que presta un servicio eficiente, resiliente y costo efectivo. Lo anterior es trascendental y crucial para la reconstrucción y transformación del sistema eléctrico de Puerto Rico.

La Comisión está comprometida con continuar ejerciendo sus múltiples responsabilidades y obligaciones con el fin de establecer un mercado energético eficiente y resiliente, que permita la reconstrucción de Puerto Rico y fomente el desarrollo económico. Procedemos a detallar las gestiones realizadas por la Comisión en la consecución de dicho fin.

## **II. ENFOQUE DE LA COMISIÓN Y ESTADO DE SITUACIÓN ENERGÉTICA DEL PAÍS**

La Comisión entiende que toda acción por un ente regulador debe realizarse tomando en consideración los siguientes principios:

*El propósito es el desempeño.* Al establecer estándares para utilidades que son monopolios, el objetivo es inducir desempeño que sea comparable al producto de la competencia efectiva: servicio confiable e innovador a un precio razonable. Al inyectar competencia, el objetivo es atraer y recompensar a las entidades más costo-efectivas. La tarea de la Comisión es contemplar los productos y servicios que mejor servirían a los clientes, y luego diseñar y supervisar las estructuras del mercado y los estímulos que producirían con más probabilidad dicha combinación de productos y servicios de una manera costo-efectiva.

*El criterio más importante es la eficiencia económica.* Los costos de una utilidad son razonables si, y solo si, la Comisión determina que es la alternativa de menor costo entre todas las alternativas posibles. El objetivo de la Comisión es asignar los costos a los causantes de dichos costos y los beneficios a los creadores de dichos beneficios. Estos estándares inducen desempeño que es económicamente eficiente.

*La buena toma de decisiones requiere recopilar los mejores hechos.* La Comisión utiliza procedimientos que obtienen presentaciones de diversos expertos las cuales son basadas en hechos. La Comisión somete dichas presentaciones a descubrimiento de prueba detallado y cuestionamiento específico, todo realizado públicamente. La Comisión varía la formalidad de los procedimientos según sea requerido por los recursos y tiempo disponibles.

*La efectividad de la Comisión depende en su independencia.* La Comisión es una agencia experta que realiza sus decisiones basado en hechos y lógica—no en presiones externas.

Por medio de los diversos procedimientos realizados por la Comisión se ha estudiado la situación por la que atraviesa la Autoridad de Energía Eléctrica y la manera que esta a su vez incide sobre el servicio eléctrico que brinda a sus clientes. Como parte del primer caso de Revisión Tarifaria<sup>1</sup> ante la Comisión, se estudió el estado del sistema de la Autoridad y se determinó que factores como la inversión inadecuada en la infraestructura, la pérdida de empleados y un enfoque administrativo en inversiones arriesgadas, entre otros, han resultado en que la Autoridad tenga costos innecesariamente altos y que esté operando fuera de cumplimiento con las leyes estatales y federales.<sup>2</sup> De otra parte, y previo al paso de los huracanes Irma y María, las interrupciones de servicio de los clientes eran de cuatro a cinco veces más que la cantidad de interrupciones en las utilidades de Estados Unidos, aún teniendo la Autoridad costos más altos que otras utilidades. Surge además que un componente sustancial de las interrupciones forzadas en la generación y en el sistema de transmisión se debe al mantenimiento diferido o a la falta de inversión en el momento adecuado.

## A. Plan Integrado de Recursos

La Comisión culminó el primer procedimiento del Plan Integrado de Recursos<sup>3</sup> por medio de la Resolución Final y Orden del 26 de septiembre de 2016. Posteriormente, la Autoridad solicitó la Reconsideración de la Resolución Final de la Comisión el 21 de octubre de 2016, la cual fue evaluada en sus méritos y resuelta el 10 de febrero de 2017.

### 1. Plan Integrado de Recursos Modificado

En la Resolución Final del Plan Integrado de Recursos (“PIR”), la Comisión aprobó un PIR Modificado donde se establecieron directrices específicas. Estas incluyen la modernización de unidades generatrices para aumentar la eficiencia y confiabilidad del servicio, se contempla la instalación de nuevas unidades de ciclo combinado, y se establece un Plan para la modernización y el mantenimiento de la infraestructura de transmisión y distribución. Como parte de dicho PIR Modificado, la Comisión estableció un calendario en el cual se detallaron ciertas fechas de cumplimiento en las cuales la Autoridad debía presentar la información solicitada por la Comisión. A continuación la información presentada hasta la fecha de este informe:

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<sup>1</sup> In Re: Revisión de Tarifas de la Autoridad de Energía Eléctrica de Puerto Rico, Caso Núm. CEPR-AP-2015-0001.

<sup>2</sup> Véase Fisher-Horowitz Expert Report a la pág. 26, Caso Núm. CEPR-AP-2015-0001, November 23, 2016.

<sup>3</sup> In Re: Plan Integrado de Recursos de la Autoridad de Energía Eléctrica de Puerto Rico, Caso Núm. CEPR-AP-2015-0002.

Fecha de presentación de Moción en Cumplimiento	Información contenida en Moción de Cumplimiento
31 de marzo de 2017	<ul style="list-style-type: none"> <li>✓ Actualización del estatus sobre la permisología de AOGP</li> <li>✓ Informe Ambiental: (i) litigación de cumplimiento ambiental en relación a las facilidades de generación de la Autoridad; (ii) discusiones sobre negociaciones de acuerdo entre la Autoridad y la Agencia de Protección Ambiental de Estados Unidos.</li> <li>✓ Plan de mantenimiento y mejoras del sistema de transmisión.</li> <li>✓ Plan de mantenimiento y mejoras del sistema de distribución.</li> </ul>
30 de junio de 2017	<ul style="list-style-type: none"> <li>✓ Actualización del estatus de la permisología de AOGP y las conversiones asociadas</li> <li>✓ Informe Ambiental: (i) litigación de cumplimiento ambiental en relación a las facilidades de generación de la Autoridad; (ii) discusiones sobre negociaciones de acuerdo entre la Autoridad y la Agencia de Protección Ambiental de Estados Unidos.</li> </ul>
28 de julio de 2017	<ul style="list-style-type: none"> <li>✓ Actualización al informe presentado el 30 de junio de 2017.</li> <li>✓ Se tomó en consideración la decisión del Tribunal Supremo de Puerto Rico en cuanto a la petición de Comité Diálogo Ambiental, Inc. en relación a la permisología de AOGP.</li> <li>✓ Información relacionada a: (i) retiro de las unidades de Palo Seco 1 y 2, de Costa Sur 3 y 4 y de San Juan 7 y 8; (ii) designación de Uso Limitado de las unidades de San Juan 9 y 10.</li> </ul>

## 2. Análisis Económico del Complejo de Aguirre

Como parte de la preparación del PIR de la Autoridad ante la Comisión, ésta propuso varios escenarios para atender ciertos futuros energéticos inciertos en los cuales variaba la demanda de energía, el costo de combustible, entre otros factores. En el desarrollo de escenarios para cumplir con los futuros energéticos propuestos, la Autoridad incluyó varios casos en los que examinó sus planes existentes para el desarrollo de recursos en el Complejo Generatriz de Aguirre, los cuales incluyen el desarrollo del Terminal Marítimo de Gas Natural

Licuado de Aguirre, siendo este la alternativa preferida de la Autoridad para introducir gas natural en la Central Aguirre.

Luego de una evaluación minuciosa del proyecto de Aguirre como parte del PIR, la Comisión determinó que la Autoridad “no examinó un rango de trayectorias de precios de combustibles.”<sup>4</sup> Como resultado, en la evaluación inicial del beneficio económico de AOGP, este se estimó en aproximadamente \$2,500 millones, y luego se revisó presentando un beneficio económico de aproximadamente \$200 millones para un periodo de 20 años. Esto representa una reducción significativa la cual contribuyó a la incertidumbre sobre el análisis de costos y beneficios de AOGP. Por otro lado, el desarrollo del proyecto de AOGP según propuesto requiere a la Autoridad incurrir en costos fijos recurrentes adicionales los cuales pueden sumar aproximadamente \$77 millones anuales, esto aparte de la inversión de capital en su construcción. Adicional a esto, la información relacionada a las inversiones financieras para la construcción de AOGP, presentada por la Autoridad en el caso del PIR y la revisión tarifaria, tenían una gama amplia de inconsistencias que previnieron a la Comisión realizar una evaluación de AOGP desde un punto de vista financiero. Finalmente, problemas con la permisología de AOGP, que ha atrasado su finalización por dos años, ha creado más incertidumbre, lo que ha prevenido que la Comisión determine que AOGP es la opción de menor costo para la Autoridad.

La ausencia de información confiable y el riesgo de un aumento en costo para los clientes de la Autoridad resultó en numerosas incertidumbres relacionadas a la viabilidad a largo plazo de AOGP. Estas incertidumbres previnieron a la Comisión determinar, con un nivel aceptable de confianza, que las inversiones relacionadas al desarrollo de AOGP beneficiarían a los clientes de la Autoridad. Sin embargo, dado el papel importante que representa AOGP en la estrategia de planificación a largo plazo de la Autoridad, la Comisión determinó no desaprobar permanentemente la construcción de AOGP y establecer un tope de \$15 millones para cualquier gasto relacionado a AOGP, como parte de su determinación en el PIR. Este tope permitió a la Autoridad continuar con las actividades de permisología, ingeniería y planificación relacionadas al proyecto AOGP, pero limitó la habilidad de comenzar su construcción hasta que la Comisión tome su determinación final.

Para que la Autoridad pudiese solicitar un aumento al tope establecido, la Comisión indicó que tenía que presentar ante la Comisión una “revisión económica minuciosa de AOGP,”<sup>5</sup> así como una comparación de AOGP con otras alternativas. Debido a que la Autoridad no presentó dicha revisión económica según solicitada por la Comisión, se determinó iniciar el proceso de evaluación del Complejo de Aguirre mediante orden emitida el 10 de febrero de 2017. El objetivo de la Comisión con dicho procedimiento es exigir a la Autoridad asegurar que tanto AOGP como sus alternativas, sean analizadas en una base justa y equitativa para asegurar un plan de recursos a largo plazo al menor costo.

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<sup>4</sup> Véase Resolución Final y Orden, Caso Núm. CEPR-AP-2015-0002, ¶ 256.

<sup>5</sup> *Id.*, ¶261.

Trayecto procesal	
Duración del procedimiento	Febrero 2017-Agosto 2017 <sup>6</sup>
Vista Técnica	28 de junio de 2017
Vista Pública	20 de julio de 2017

## B. Revisión Tarifaria de la Autoridad de Energía Eléctrica

### 1. Resumen del procedimiento

El propósito del procedimiento de revisión de tarifas de la Autoridad, el cual concluyó el 10 de enero de 2017, fue establecer (a) el requisito de ingresos y las tarifas de la Autoridad para el año fiscal 2017; y (b) establecer un procedimiento para actualizar dichas tarifas para los años subsiguientes. De otra parte, como resultado del procedimiento de revisión tarifaria, se establecieron directrices dirigidas a asegurar que la Autoridad utilice los ingresos que recibe de sus clientes de manera prudente y eficiente. La Comisión determinó que la Autoridad deberá tratar el requisito de ingresos establecido como parte del procedimiento de revisión como un límite en los gastos anuales de la Autoridad hasta que la Comisión no modifique dicho requisito de ingresos. De otra parte, la Autoridad debe preparar presupuestos departamentales que se ajusten al requisito de ingresos aprobado por la Comisión, de manera que no se gaste en exceso.

La Autoridad, así como otras partes interventoras en el procedimiento, solicitaron la reconsideración de la Resolución Final de la Comisión en dicho procedimiento. La Comisión, en cumplimiento de sus facultades, evaluó en sus méritos cada solicitud de reconsideración presentada y realizó su determinación final. En el caso de la Resolución Final sobre la Moción de Reconsideración de la Autoridad,<sup>7</sup> la Comisión revisó el requisito de ingresos de la Autoridad para el Año Fiscal 2017 y aclaró ciertas interrogantes de parte de la Autoridad sobre la decisión final de la Comisión.

### 2. Tarifa aprobada por la Comisión

La Comisión, como parte de su determinación final, solicitó a la Autoridad a presentar una moción en cumplimiento en la cual se actualizara su modelo de requisito de ingresos y se calcularan las tarifas de servicio eléctrico a utilizarse para recaudar el requisito de ingresos aprobado por la Comisión. Luego de varias solicitudes de aclaración y conferencias técnicas

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<sup>6</sup> La determinación de la Evaluación Económica del Complejo de Aguirre se ha visto paralizada luego de los huracanes Irma y María.

<sup>7</sup> Véase Final Resolution, Caso Núm. CEPR-AP-2015-0001, 8 de marzo de 2017.

celebradas para aclarar cualquier duda de parte de la Autoridad, el 25 de abril de 2017, la Autoridad presentó su primera moción en cumplimiento con los requisitos de la Comisión. En dicha ocasión, por medio de Resolución y orden de 10 de mayo de 2017,<sup>8</sup> la Comisión evaluó la información presentada por la Autoridad y aceptó y autorizó a que se implementara la nueva tarifa permanente aprobada sujeto a ciertas condiciones.

Posteriormente, el 19 de mayo de 2017, la Autoridad presentó una segunda moción en cumplimiento atendiendo las condiciones establecidas por la Comisión en su Resolución y Orden de 10 de mayo. Luego de analizar lo presentado por la Autoridad, la Comisión aceptó y autorizó que se implementara la tarifa permanente aprobada según presentado en el documento titulado *Revised Exhibit C* presentado el 24 de mayo de 2017.<sup>9</sup>

<b>Requisito de Ingresos de la Autoridad (miles de dólares)<sup>10</sup></b>	
Subtotal de Gastos Operacionales	\$2,632,670
Subtotal Subsidios	\$225,767
Subtotal Servicio de la Deuda	\$440,146
Fondos de clientes para cubrir gastos de capital	\$153,462
<b>Requisito Total de Ingreso de la Autoridad</b>	<b>\$3,452,045</b>

La Autoridad solicitó en múltiples ocasiones a la Comisión que la fecha de implementación de la nueva tarifa permanente fuera atrasada. Más aún, luego del paso de los huracanes Irma y María, la Autoridad solicitó que se otorgara una extensión hasta el 1 de julio de 2018 para la implementación de dicha tarifa. Evaluado lo anterior, la Comisión denegó dicha solicitud de la Autoridad y estipuló que realizaría una determinación sobre el momento apropiado para implementar la nueva tarifa.<sup>11</sup>

### 3. Investigación sobre Asignación de Costos, Diseño de Tarifa y Asuntos Relacionados para la Autoridad de Energía Eléctrica de Puerto Rico (CEPR-IN-2017-0001)

<sup>8</sup> Véase Resolution and Order on PREPA's Compliance Filing, Caso Núm. CEPR-AP-2015-0001, 10 de mayo de 2017.

<sup>9</sup> El documento titulado *Revised Exhibit C* presentado por la Autoridad el 24 de mayo de 2017 se incorpora como Anejo a este Informe Anual. De otra forma, el mismo se encuentra disponible en el siguiente enlace: [http://energia.pr.gov/wp-content/uploads/2018/01/Exhibit-C-Revised\\_CLEAN.pdf](http://energia.pr.gov/wp-content/uploads/2018/01/Exhibit-C-Revised_CLEAN.pdf).

<sup>10</sup> Véase Attachment 1, Final Resolution, Caso Núm. CEPR-AP-2015-0001, 8 de marzo de 2017.

<sup>11</sup> Véase Resolución, Caso Núm. CEPR-AP-2015-0001, 1 de noviembre de 2017.

Como parte del procedimiento de revisión tarifaria, la Comisión identificó lagunas significantes en la información presentada por la Autoridad, así como los costos y la metodología. Dado la restricción de tiempo para completar la primera revisión tarifaria de la Autoridad, la Comisión determinó prudente diferir ciertos aspectos de dicho procedimiento—asignación de costos, estudio de costos marginales y la evaluación del diseño de tarifas—para un procedimiento separado. Reconociendo la complejidad de establecer procesos que permitirán el diseño de tarifas eficientes, lo que asistirá en la transformación de la Autoridad a una entidad con una salud financiera sostenible, la Comisión dio inicio a una investigación a tales efectos el 24 de abril de 2017.

### **III. NUEVA REALIDAD – PASOS DE HURACANES IRMA Y MARÍA**

#### **A. Acciones de supervisión de la Autoridad**

Luego del paso de los huracanes, la Comisión determinó que era necesario establecer ciertas acciones de supervisión a la Autoridad dada la situación precaria en la cual se encontraba Puerto Rico en ese momento. A tales fines, la Comisión inició los procedimientos descritos a continuación.

##### **1. Medidas Temporeras de Supervisión y Fiscalización**

La Comisión identificó e implementó una serie de medidas, requerimientos y directrices dirigidas a asegurar un grado óptimo de rendición de cuentas, prudencia y razonabilidad en la contratación y manejo prospectivo de los servicios de restauración del servicio eléctrico adquiridos por la Autoridad luego del paso del Huracán María. Dichas medidas se toman para asegurar que los fondos destinados a la restauración y recuperación del Sistema eléctrico sean utilizados de manera eficiente y efectiva, produciendo resultados medibles y cuantificables.

La importancia de estas medidas surge a raíz de la naturaleza de la Autoridad, al ser una entidad sin fines de lucro y propiedad del Gobierno de Puerto Rico. La Autoridad no tiene accionistas, por lo que todos sus costos deben ser recuperados a través de sus tarifas, lo que significa que los consumidores son enteramente responsables por los costos incurridos por la Autoridad. Una vez se incurre en dichos costos, no hay alternativa práctica que no sea reflejar los mismos en la tarifa de la Autoridad. El propósito de estas medidas es proteger al cliente, brindar transparencia a las acciones realizadas por la Autoridad y asegurar la disciplina durante la emergencia y en el periodo posterior a la misma.

##### **2. Investigación de la Comisión en torno al Estado del Sistema Eléctrico de Puerto Rico luego del paso del Huracán María**

El 27 de octubre de 2017, la Comisión comenzó un abarcador proceso de investigación en relación al estado del sistema eléctrico luego del paso del Huracán María sobre Puerto Rico. El propósito de este procedimiento es identificar las vulnerabilidades que aportaron al colapso del sistema eléctrico e identificar estrategias y acciones regulatorias a corto,

mediano y largo plazo que resulten en un sistema eléctrico moderno, flexible, robusto y capaz de suplir servicio eléctrico de forma eficiente y a precios justos y razonables. La investigación se fundamenta en cuatro pilares: (i) el estado del sistema eléctrico luego del paso del Huracán María; (ii) implementación de acciones regulatorias para facilitar las tareas de restauración del servicio eléctrico y fomentar el despliegue de nuevas tecnologías, incluyendo generación distribuida y microredes (*microgrids*); (iii) un nuevo modelo energético; y (iv) análisis en torno al efecto sobre el Plan Integrado de Recursos de la Autoridad aprobado por la Comisión el pasado 26 de septiembre de 2016.

Como parte de la investigación, la Comisión solicitó comentarios del público en general en torno a la implementación de acciones regulatorias para facilitar las tareas de restauración del servicio eléctrico y fomentar el despliegue de nuevas tecnologías.

Solicitud de Comentarios	Fecha de Publicación	Límite de Comentarios	Comentarios presentados
	10 de noviembre de 2017	20 de noviembre de 2017	53 comentarios presentados por individuos, organizaciones sin fines de lucro y compañías privadas

## B. Marco Regulatorio para el Restablecimiento del Sistema Eléctrico

Luego del paso de los huracanes Irma y María por Puerto Rico, los cuales devastaron la mayor parte del sistema eléctrico de la Isla, dejando sin luz por sobre cinco (5) meses a más de la mitad de la población, tanto la Comisión como la Asamblea Legislativa tomaron pasos para propiciar el restablecimiento rápido y efectivo de los servicios eléctricos.

### 1. Reglamento sobre el Procedimiento para la Revisión de Facturas Emitidas por la Autoridad en Situaciones de Emergencia

A la luz de problemas con la facturación de la Autoridad, la Asamblea Legislativa promulgó la Ley 3-2018, la cual ordenó a la Comisión a establecer mediante reglamento un procedimiento expedito para la revisión de facturas que reflejaran una lectura de consumo eléctrico por energía que fue generada por un generador auxiliar, ya que el cliente no tenía servicio de energía eléctrica. Con dicho fin, la Comisión promulgó el 24 de enero de 2018 el *Reglamento sobre el procedimiento para la revisión de facturas emitidas por la AEE en situaciones de emergencia*. El mismo acorta los términos del proceso tradicional de revisión de facturas, tanto ante la Autoridad como en la Comisión, garantizando a los consumidores un proceso expedito.

Con el fin de orientar al público sobre los procesos para llevar a cabo una reclamación luego de la aprobación del nuevo *Reglamento sobre el procedimiento para la revisión de facturas*

*emitidas por la AEE en situaciones de emergencia* se llevaron a cabo las siguientes estrategias de comunicaciones:

- **Comunicados de Prensa** – Envío de comunicado de prensa a todos los medios de comunicación: impresos, digital, radio y TV.
- **Redes sociales** – Se añadió contenido sobre el Reglamento en las plataformas de Facebook y Twitter.
- **Entrevistas en los medios** – Se atendió a diferentes medios de comunicación – radio, TV y prensa – con el propósito de orientar al público sobre el contenido del reglamento y los pasos seguir para llevar a cabo una reclamación por concepto de facturación indebida de Autoridad.

## 2. Reglamento de Microredes

Asimismo, en la búsqueda de alternativas para restablecer el sistema eléctrico de Puerto Rico, y a su vez comenzar el camino hacia la transformación de un sistema resiliente y sustentable a largo plazo, la Comisión identificó la necesidad de implementar nuevas tecnologías, como la instalación de sistemas de generación distribuida, el almacenamiento de energía y las microredes como alternativas para lograr la restauración y transformación a largo plazo del sistema eléctrico. Esto cónsono con la política pública energética establecida en la Ley 82-2010<sup>12</sup> y la Ley 57-2014.

Según expresado anteriormente, la Comisión solicitó al público en general que proveyeran sus comentarios y respuestas en torno a diversos temas y preguntas publicadas mediante Resolución del 10 de noviembre de 2017,<sup>13</sup> con el propósito de auscultar la opinión pública sobre las normas que la Comisión debía adoptar para fomentar el desarrollo de las microredes.

Posteriormente, el 3 de enero de 2018, la Comisión promulgó la Propuesta de Reglamentación sobre el Desarrollo de Microredes y otorgó un periodo de treinta (30) días para recibir comentarios públicos. La Comisión recibió sobre treinta (30) comentarios escritos provenientes de diversos sectores. Finalmente, el 6 de febrero de 2018, la Comisión celebró una vista pública con el fin de atender los comentarios de las personas interesadas en deponer. Durante la vista depusieron un total de seis (6) personas.

Para dar a conocer la iniciativa de la Comisión para establecer el marco regulatorio para introducir las microredes en la Isla, se llevó a cabo un plan integrado de comunicaciones, el cual incluyó estrategias tales como:

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<sup>12</sup> Ley de Política Pública de Diversificación Energética por Medio de la Energía Renovable Sostenible y Alterna en Puerto Rico, según enmendada.

<sup>13</sup> Véase Resolución, 10 de noviembre de 2017, Caso Núm. CEPR-IN-2017-0002.

- **Comunicados de Prensa** – Envío de comunicado de prensa en las diferentes etapas del proceso del desarrollo del reglamento de microredes. El mismo fue publicado en todos los medios de comunicación impresos y/o digital.
  - Resolución para el desarrollo del reglamento de microredes
  - Solicitud de comentarios a la propuesta del reglamento de microredes
  - Publicación de la propuesta del reglamento
  - Celebración de vista públicas sobre propuesta para el desarrollo de microredes.
- **Redes sociales** – Se añadió contenido (constante) sobre la Propuesta del Reglamento en las plataformas de Facebook y Twitter de la Comisión. Además, de aviso de la vista pública sobre el tema. De igual manera, se transmitió la vista pública sobre el reglamento de microredes en vivo a través de YouTube y Facebook.
  - *Resultado* – los *post* en Facebook obtuvieron un alcance (*reach*) promedio de entre 500 a 1,300 personas.
- **Entrevistas en los medios** – Se realizó un media tour por los diferentes medios de comunicación – radio, TV y prensa – con el propósito de orientar al público sobre - ¿Qué son las microredes y cómo funcionan? Asimismo, exhortar al público a que participen del proceso de presentar recomendaciones y/o comentarios a la propuesta del reglamento.
  - *Resultado* – se recibieron sobre 30 comentarios a la propuesta del reglamento por parte de entidades locales e internacionales interesadas en el proceso, además de lograr una nutrida participación en la vista pública.
- **Presentación sobre microredes a la prensa de negocios** – Se presentó en detalle los proyectos trascendentales que la Comisión ha estado trabajando. Se discutió en detalle el proceso del desarrollo del reglamento de las microredes en la Isla con el propósito de educar a la prensa sobre el sistema de microredes.
- **Reseñas en medios internacionales** – Medios de prensa internacional reseñaron la noticia sobre el desarrollo del primer reglamento de microredes a nivel mundial como una iniciativa de vanguardia ante la situación crítica energética en la Isla y que sirve como modelo a seguir en los Estados Unidos. Ejemplo de la reseña en los medios:
  - <https://www.greentechmedia.com/articles/read/puerto-rico-energy-commission-island-microgrid#gs.Ty00fwI>
  - <https://www.eenews.net/energywire/2018/01/05/stories/1060070191>
  - <http://www.businessinsider.com/puerto-rico-power-clean-energy-2018-1>
  - <https://microgridknowledge.com/microgrids-puerto-rico-policy/>

### 3. Enmienda Reglamento Plan Integrado de Recursos

Asimismo, a la luz de los cambios en el sistema y mercado energético del país, el desarrollo de nuevas tecnologías, la introducción de sistemas de microredes, así como la disminución

del costo de los sistemas de almacenamiento, introducen nuevas oportunidades y alternativas en el proceso de transformación del sistema de energía eléctrica. Dicha transformación debe realizarse bajo un análisis riguroso de las necesidades energéticas del país dentro de un proceso de planificación ordenado y objetivo.

Lo anterior lleva a la Comisión a actualizar los reglamentos aplicables a la preparación de los planes integrados de recursos de la Autoridad. El mismo debe considerar todos los recursos razonables para satisfacer la demanda de los servicios eléctricos durante determinado período de tiempo, incluyendo aquellos relacionados a la oferta energética, ya sean los recursos existentes, tradicionales y/o nuevos, y aquellos relacionados a la demanda energética y generación localizada por parte del cliente.

A base de la experiencia adquirida luego del proceso de evaluación y aprobación del Primer Plan Integrado de Recursos de la Autoridad, los cambios recientes en la realidad del sistema energético de Puerto Rico y con el fin de establecer un proceso adecuado y útil para la planificación de recursos a largo plazo, la Comisión desarrolló la propuesta del nuevo Reglamento del Plan Integrado de Recursos, la cual busca robustecer el Reglamento 8594<sup>14</sup> atendiendo diferentes áreas que, ante la realidad actual, cobran mayor importancia en el proceso de planificación. El mismo se encuentra en estos momentos en el periodo de comentarios públicos. Entre los cambios propuestos al reglamento se encuentran aspectos relacionados al establecimiento de medidas y estímulos de desempeño, como la implementación de los programas de eficiencia energética y respuesta a la demanda.

Propuesta de Reglamento Plan Integrado de Recursos	Fecha de Publicación 8 de febrero de 2018	Fecha Límite de Comentarios 14 de marzo de 2018
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## IV. MÉTRICAS DE DESEMPEÑO DE LA COMISIÓN

### A. Revisión de facturas

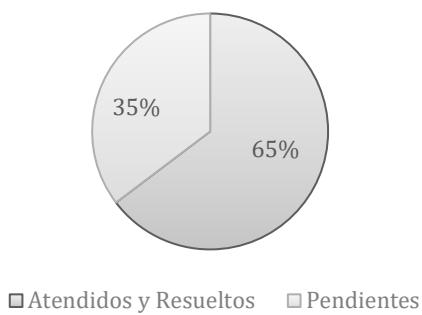
Durante el año natural 2017, la Comisión recibió treinta y cuatro (34) casos en solicitud de revisión formal de facturas, los cuales se distribuyen según las siguientes gráficas.

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<sup>14</sup> Reglamento del Plan Integrado de Recursos de la Autoridad de Energía Eléctrica de Puerto Rico, aprobado por la Comisión el 22 de mayo de 2015.

TOTAL DE CASOS DE REVISIÓN DE  
FACTURA PARA EL AÑO NATURAL

2017



DISTRIBUCIÓN DE CASOS  
PENDIENTES



En promedio, la Comisión tardó ciento cincuenta y ocho (158) días en la resolución de los casos de revisión de facturas presentados durante el año natural 2017, lo cual representa el cumplimiento con el término de seis (6) meses establecido en la Sección 3.13 de la Ley 38-2017.<sup>15</sup> La Comisión tiene dos procesos adjudicativos para los casos de revisión de facturas: proceso sumario (para casos cuya cuantía sea de cinco mil dólares (\$5,000) o menos) y el proceso ordinario.

Basado en la data recopilada durante el año natural 2017 en relación a los procesos de revisión de facturas, y a los fines de cumplir con los términos establecidos en la Ley 38-2017, la Comisión estableció las siguientes métricas de desempeño.

### 1) Casos Sumarios

- a. La Vista Administrativa debe celebrarse no más tarde de los treinta (30) días de haberse presentado el recurso de revisión.
- b. El Oficial Examinador deberá rendir su informe al Pleno de la Comisión dentro de los treinta (30) días de haberse celebrado la Vista Administrativa.
- c. La Comisión deberá emitir su Resolución Final no más tarde de quince (15) días de haber recibido el informe del Oficial Examinador.

<sup>15</sup> Ley de Procedimiento Administrativo Uniforme del Gobierno de Puerto Rico.

- d. En aquellos casos en que, de acuerdo con las disposiciones del Artículo 6.11 de la Ley 57-2014 se haya delegado a uno o más Comisionados la facultad de resolver el caso, la Resolución Final deberá ser emitida no más tarde de treinta (30) días de haberse celebrado la Vista Administrativa.
- e. La Comisión deberá emitir la Resolución Final dentro del término de setenta y cinco (75) días, contados a partir de la fecha de radicación del recurso de revisión.

## 2) Casos Ordinarios

- a. La Vista Administrativa debe celebrarse no más tarde de los ciento cinco (105) días de haberse presentado el recurso de revisión. Este término incluye el término para realizar cualquier descubrimiento de prueba, según lo dispuesto por el Reglamento 8543.<sup>16</sup>
- b. El Oficial Examinador deberá rendir su informe al Pleno de la Comisión dentro de los treinta (30) días de haberse celebrado la Vista Administrativa.
- c. La Comisión deberá emitir su Resolución Final no más tarde de quince (15) días de haber recibido el informe del Oficial Examinador.
- d. En aquellos casos en que, de acuerdo con las disposiciones del Artículo 6.11 de la Ley 57-2014 se haya delegado a uno o más Comisionados la facultad de resolver el caso, la Resolución Final deberá ser emitida no más tarde de treinta (30) días de haberse celebrado la Vista Administrativa.
- e. La Comisión deberá emitir la Resolución Final dentro del término de ciento cincuenta (150) días, contados a partir de la fecha de radicación del recurso de revisión.<sup>17</sup>

El fin que se persigue con estas métricas es la resolución de los casos de revisión de facturas dentro de un término razonable de tiempo. La Comisión reconoce que, podrían existir circunstancias y argumentos de las partes que requeriría términos mayores a los aquí dispuestos, especialmente en los casos que se atienden por la vía ordinaria. Todos los términos establecidos mediante estas métricas tienen el propósito de medir el desempeño de la Comisión y sus Oficiales Examinadores en los procesos de revisión de facturas, por lo

<sup>16</sup> Reglamento de Procedimientos Adjudicativos, Avisos de Incumplimiento, Revisión de Tarifas e Investigaciones.

<sup>17</sup> Tanto el término de ciento cincuenta (150) días para resolver, como el de ciento cinco (105) días para celebrar la Vista Administrativa podría extenderse de acuerdo a la complejidad y el desarrollo procesal del caso.

que en ningún momento se interpretan los mismos de forma restrictiva. Los mismos son unas guías para la resolución eficiente de los casos.

## B. Querellas

Para el año natural 2017, la Comisión recibió un total de ocho (8) querellas, las cuales se distribuyen de la siguiente manera:



## C. Administración

Desde el establecimiento de la Comisión, esta contaba con un acuerdo de colaboración con la Autoridad para el Financiamiento y la Infraestructura (“AFI”) de manera que se proveyera asistencia en los asuntos de finanzas de la Comisión. Por medio de Resolución del 20 de abril de 2017,<sup>18</sup> la Comisión determinó que retendría de manera exclusiva sus funciones administrativas de contabilidad, finanzas y contratación del personal y los servicios profesionales, según establecido en la Ley 57-2014. El propósito de esta determinación fue, entre otros:

1. Eliminar la duplicidad de esfuerzos entre la oficina de administración de la Comisión y AFI;
2. Eliminar el atraso en el proceso de trámite de facturas pendientes para pago;
3. Eliminar atrasos de pagos sobre retenciones al Departamento de Hacienda;
4. Eliminar atrasos en el trámite de órdenes de compra; y

<sup>18</sup> Véase Resolución, Caso Núm. CEPR-MI-2017-0002, 20 de abril de 2017.

5. Eliminar atrasos en pago de planes médicos a los empleados.

A continuación una tabla donde se resume lo establecido anteriormente:

## **V. PLAN DE TRABAJO DE LA COMISIÓN**

Durante los primeros meses del año 2017 la Comisión desarrolló su Plan de Trabajo para el Año Fiscal 2017-2018. Dicho Plan de Trabajo identificó los asuntos y procedimientos de mayor prioridad para la consecución de los objetivos trazados por la Comisión de acuerdo a la política pública energética del Estado. El Plan de Trabajo propuesto fue discutido por el Pleno de la Comisión y aprobado en su reunión ordinaria del 31 de mayo de 2017. Como anexo a este Informe Anual se encuentra el Plan de Trabajo para el Año Fiscal 2017-2018 aprobado por la Comisión.



## Comisión de Energía de Puerto Rico

Plan de Trabajo  
Año Fiscal 2017-2018

La Comisión de Energía de Puerto Rico es un ente independiente creado por la Ley de Transformación y ALIVIO Energético, cuyo objetivo principal es hacer cumplir de forma cabal y transparente la ejecución de la Reforma Energética. Asimismo, la Comisión tiene como encomienda reglamentar, supervisar y hacer cumplir la política pública energética del Estado Libre Asociado de Puerto Rico, a su vez que busca lograr la restructuración de la Autoridad de Energía Eléctrica a una más confiable y eficiente.

Durante los pasados 3 años la Comisión se ha encargado de crear el andamiaje reglamentario y legal para regular la industria de energía eléctrica en Puerto Rico. Entre los procedimientos que se han llevado a cabo, la Comisión ha logrado la aprobación del primer plan de recursos integrados de la Autoridad, el primer proceso de revisión de tarifas en más de 25 años, que culminó con la aprobación del requisito de ingreso de la Autoridad para el establecimiento de las nuevas tarifas, la creación y aprobación de una nueva factura transparente, la reglamentación aplicable a la CELI, a las certificaciones de compañías de servicio eléctrico, los procesos para la revisión de facturas, entre otros. El arduo trabajo que ha realizado la Comisión en tan poco tiempo ha sido posible por la flexibilidad e independencia de su operación, así como por la colaboración de la Autoridad con los procedimientos de la Comisión. Quedando aún un largo camino por correr para llevar a la Autoridad a ser una utilidad mundialmente competitiva, eficiente, y confiable, la Comisión continúa trabajando para asegurar la transparencia y efectividad en todos sus procedimientos.

En miras de cumplir con su objetivo principal, durante el año fiscal 2017-2018 la Comisión planifica implementar el siguiente plan de trabajo. La Comisión está comprometida en cumplir con la política pública del Estado, mediante los objetivos fijados en el plan de trabajo para el año fiscal 2017-2018. En su plan de trabajo la Comisión ha identificado los asuntos y procedimientos de mayor prioridad para la consecución de los objetivos trazados de acuerdo a la política pública energética.

## Objetivo Núm. 1

Fiscalizar y fomentar la operación y administración del sistema eléctrico de la Autoridad de Energía Eléctrica de forma que se garantice su eficiencia operacional, gerencial y administrativa, logrando una red eléctrica estable y segura.

### Estrategia:

- Investigación sobre el desempeño de la Autoridad de Energía Eléctrica, Caso Núm. CEPR-IN-2016-0002
  - ✓ Continuar la investigación sobre el desempeño de la Autoridad para establecer los mecanismos de incentivo para el desempeño que aplicarán a la Autoridad. El propósito de este procedimiento es determinar cuáles son las áreas clave para mejorar el desempeño de la Autoridad y monitorear el progreso y cumplimiento con las métricas.
    - Asuntos pendientes de dicho procedimiento:
      - Auditoría
        - Contratación de un auditor mediante licitación
        - Contratado el auditor, dar seguimiento del proceso de auditoría mediante evaluación de los reportes periódicos presentados.
      - Informe Final sobre investigación
        - Métricas de desempeño
        - Informe de Auditoría
- Implementación de Métricas de desempeño
  - ✓ A base del informe final producto de la investigación del desempeño de la Autoridad, establecer la reglamentación necesaria para implementar las métricas de desempeño determinadas.

## Objetivo Núm. 2

Garantizar que el servicio eléctrico sea brindado al menor costo posible, con los más altos estándares, garantizando tarifas justas y razonables. De esta forma, se busca lograr una reducción permanente en los costos de energía.

### Estrategia:

- Revisión Tarifaria
  - ✓ Durante el primer proceso de revisión tarifaria, la Comisión determinó que la propuesta de una fórmula de ajuste automática para la tarifa, presentada por la Autoridad, no cumplía con la política pública energética, en la medida que no permitía a la Comisión fiscalizar el gasto imprudente de la Autoridad. Esto en particular por la falta de mecanismos para rechazar los gastos

imprudentes incurridos por Autoridad. Ante dicho escenario, para asegurar que la tarifa de la Autoridad no exceda sus costos razonables, la Comisión determinó en su Orden y Resolución Final que anualmente revisará los presupuestos y los patrones de gastos de la Autoridad a través de la revisión de presupuestos departamentales, con el fin de actualizar el requisito de ingreso de la Autoridad para el próximo año fiscal.

- Evaluación de la prudencia en gastos:

- Año Fiscal 2017-2018
- Año Fiscal 2018-2019

- Investigación sobre el Diseño Tarifario y Estudio de Costos del Servicio, Caso Núm. CEPR-IN-2017-0001
  - ✓ Durante el procedimiento de revisión tarifaria, la Comisión determinó que diferiría a procedimientos posteriores ciertos asuntos sobre la revisión de tarifas de la Autoridad, entre ellos el diseño de tarifa y el estudio de costos de servicio. Esto ya que el proceso de revisión de tarifas tenía limitaciones de tiempo y se carecía de información esencial para tomar determinaciones.
  - ✓ La Comisión está llevando a cabo una investigación concerniente a estos asuntos.
  - ✓ Posteriormente, la Comisión comenzará los procedimientos correspondientes para atender los siguientes asuntos:
    - Diseño de Tarifa
    - *Formula Rate Mechanism*

## Objetivo Núm. 3

Garantizar la aprobación de un plan integrado de recursos, que considere todos los recursos razonables para satisfacer la demanda de los servicios eléctricos durante determinado período de tiempo. Garantizar el desarrollo del sistema energético de forma ordenada e integrada, asegurando que se otorgue el servicio eléctrico a través de un sistema confiable, eficiente y transparente, que provea el servicio a un precio razonable.

### Estrategia:

- Desarrollo del Nuevo Reglamento del Plan Integrado de Recursos
- Análisis de compatibilidad del Plan Fiscal con el Plan Integrado de Recursos
  - ✓ Identificación de proyectos incluidos en el PIR que pueden ser trabajados como Alianzas Público Privadas
  - ✓ Investigación de otras necesidades de la Autoridad que pueden ser trabajadas mediante Alianzas Público Privadas
- Desarrollo de la reglamentación y/o parámetros aplicables para la evaluación de los contratos de *Power Purchase and Operations Agreement* en los que entre la Autoridad.

- Third Party Administrator para la implementación de programas de *Energy Efficiency* y *Demand Side Management*
  - ✓ Implementación del *Energy Efficiency Rider*
- Análisis Económico del Complejo de Aguirre
  - ✓ Culminar el proceso adjudicativo de Aguirre.
  - ✓ Revisión judicial de la determinación final. (tentativo)
- Aprobación de estándares de confiabilidad del sistema eléctrico de la Autoridad
- Aprobación del margen de reserva de la Autoridad

## Objetivo Núm. 4

Desarrollar la estructura del mercado en Puerto Rico usando como ejemplo prácticas de otras jurisdicciones consonas con la política pública del Estado de reducir el uso de combustibles fósiles; viabilizar la utilización más eficaz del combustible y por ende un menor costo en la producción de electricidad; y aumentar la integración de renovables, para lograr el cumplimiento con los estándares del portafolio de energía renovable.

### Estrategia:

- Desarrollar el Plan de Alivio Energético según requerido por la Ley 57-2014 el cual incluye el desarrollo de guías y reglamentos para el desarrollo de la industria energética en Puerto Rico.
- Estudio del valor de sistemas renovables y desarrollo de estándares de eficiencia de renovables.
- Desarrollo de los parámetros y condiciones para la industria de Certificados de Energía Renovable.
- Conforme a la Ley 133-2016, investigar alternativas para el desarrollo de Comunidades Solares en comunidades de escasos recursos económicos.
- Revisión estudio de integración de renovables presentado por la Autoridad.
- Desarrollo de los parámetros y reglamentación aplicable al trasbordo.
- Desarrollo de la definición y estándares de “Altamente Eficiente” para la generación con uso de combustibles fósiles.
- Definición de productos y servicios en la industria eléctrica.
- Determinar la estructura de mercado para satisfacer la necesidad de los productos y servicios de la industria.

## **Objetivo Núm.5**

Desarrollo de la estructura organizacional de la Comisión con el fin de perfeccionar las prácticas de regulación y enriquecer la experiencia técnica del personal de la Comisión, para la intervención en los procedimientos, proyectos y casos ante la consideración de la Comisión.

### **Estrategia:**

- ✓ Desarrollo de la estructura organizacional de la Comisión
- ✓ Desarrollo de procesos internos departamentales
- ✓ Adiestramiento y desarrollo de personal

## **Objetivo Núm.6**

Desarrollo de un programa de alcance comunitario para llevar la discusión sobre política pública energética y los trabajos de la Comisión a la comunidad, incluyendo talleres sobre los procesos de la Comisión y la participación ciudadana.

### **Estrategia:**

- ✓ Talleres sobre participación ciudadana en los procesos de la Comisión incluyendo intervención, amigos del foro, presentación de comentarios, participación en vistas públicas, entre otros.
- ✓ Conferencias, talleres y actividades educativas sobre temas relacionados a la política pública energética y los servicios que provee la Comisión.

SECRETARIA  
COMISION DE ENERGIA DE  
PUERTO RICO

COMMONWEALTH OF PUERTO RICO

PUERTO RICO ENERGY COMMISSION

\*17 MAY 19 P2:39

IN RE: THE PUERTO RICO ELECTRIC  
POWER AUTHORITY

NO. CEPR-AP-2015-0001

INITIAL RATE REVIEW

**SUBJECT:** PREPA'S NOTICE OF  
COMPLIANCE FILING IN RESPONSE TO  
THE COMMISSION'S MAY 10 ORDER

**PREPA'S NOTICE OF COMPLIANCE FILING  
IN RESPONSE TO THE COMMISSION'S MAY 10 ORDER**

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 filing in response to the Commission's *Resolution and Order on PREPA's Compliance Filing* ("May 10th Order") issued in the above-entitled matter on May 10, 2017. This Compliance Filing consists of information provided in the body of this document below plus the attachments hereto.

1. Attachment A to the Commission's May 10<sup>th</sup> Order ("Attachment A") seeks additional information and workpapers related to the Public Lighting General ("PLG"), Payments to Qualifying Facilities Rider ("QF"), and the Cable TV Power Supplies ("CATV") tariffs. In particular, with respect to these tariffs, the Commission identified "certain discrepancies or inconsistencies between the information contained in the Tariff Book (Exhibit C of PREPA's April 27 Compliance Filing), the workpapers filed in support of its Compliance Filing and the Commission's directives, as set forth in the Final Order." May 10<sup>th</sup> at 2.

2. A Technical Conference was held on May 12, 2017, pursuant to the May 10<sup>th</sup> Order, where these tariffs were discussed. At that Technical Conference, PREPA

agreed to provide further explanation and workpapers addressing the Commission's questions on May 17, 2017. Following is PREPA's response to the Commission's inquiries.

### I. Public Lighting General (PLG)

With respect to the PLG tariff, it is not clear to the Commission how PREPA calculated the energy charge increases. Following is an explanation of this calculation. After accounting for specific treatment for Power Producers Connected at PREPA Bus Bar (PPBB) tariff, the total increase per revenue allocation was \$0.00993/kWh (Exhibit D, Tab "Rate Design," row 134). However, due to the Commission's revisions to subsidy treatment (specifically, that RH3/RFR/LRS/GAS tariff discounts would be treated as an explicit subsidy, as was determined by the resolution), a credit of \$0.00214/kWh was necessary to avoid any double-counting (Exhibit D, Tab "Rate Design," row 301). The result of adding \$0.00993/kWh and subtracting \$0.00214/kWh to the appropriate energy charges results in an overall increase of \$0.00779/kWh. In hindsight, PREPA should have highlighted this difference which also occurs in many other tariff calculations including the General Agricultural Service And Aqueduct Pumps Operated by Rural Communities (GAS) tariff, whose energy charge increased from \$0.054/kWh to \$0.06179/kWh.

There also is confusion as to the intent of the Commission's rate increase. As the May 10<sup>th</sup> Order references, the January order stated that "PREPA shall increase each component of the public lighting and unmetered tariffs by an equal percentage, computed to recover the revenue increase allocated to this class consistent with the Commission's determination." Attachment A, p. 1. However, the Commission also

asked PREPA to maintain the current fixed charges. See Final Order, issued January 10, 2017, at p. 120. This created a conflict between increasing all charges by a particular percentage (including fixed charges) with the Commission's intent not to raise fixed charges because these tariffs contained bundled fixed and variable energy charges. Additionally, during the earlier Technical Conference on April 6, 2017, PREPA interpreted that all tariffs, including public lighting and unmetered services, must receive the same energy charge increase as the other tariffs. If this is an incorrect interpretation, PREPA can update the calculations to take this into account.

Finally, for many reasons<sup>1</sup>, PLG has been estimated with a bundled charge for the entirety of this rate case. Therefore, as was highlighted during the May 12<sup>th</sup> Technical Conference, the Commission was concerned that Exhibit D tab Rate Design cells V322 through V327 did not match the tariff book. Unlike other tariffs, the values in these cells represent all-in \$/kWh equivalents rather than individual tariff charges. As a result, the aforementioned cells are a representative and not the final answer, as they include fixed monthly charges.

For all of the reasons above, public lighting tariffs received an increase of \$0.00779/kWh, depending on the amount of kWh used. For example, a High Pressure Sodium Lamp with a 50W capacity lists 19.7 kWh of monthly use. Applying \$0.00779/kWh to the 19.7 kWh, results in a \$0.15 increase to the monthly basic charge. As a result, the charge is increased from \$5.75 to \$5.90. Exhibit G<sup>2</sup> attached to this

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<sup>1</sup> PREPA has approximately 70 public lighting codes, of which approximately 30 have actual customers. Furthermore, the public lighting codes included fixed monthly customer charges that do not represent an actual human customer but rather an installation. As a result, not only would this be unnecessarily burdensome to lay out, the proof-of-revenues alone would have been a nearly insurmountable effort.

<sup>2</sup> To avoid confusion, the sequence of exhibits continues from PREPA's Compliance Filing filed on April 21, 2017.

filing is provided as a workpaper to demonstrate how each of the lighting charges was revised.

For PLG 421, PLG 422, PLG 423, and PLG 424, the \$0.00779/kWh was added to the energy charge, and the monthly customer charges were unchanged. Specifically, PLG 421's energy charge increased from \$0.07/kWh to \$0.07779/kWh; PLG 422's energy charge increased from \$0.0375/kWh to \$0.04529/kWh; PLG 423's energy charge increased from \$0.0515/kWh to \$0.05929/kWh; and, PLG 424's energy charge increased from \$0.0375/kWh to \$0.04529/kWh.

In aggregate, this approach ensured that fixed costs were kept consistent with historical embedded costs, and no rate re-design was done. PREPA can change the tariff to a percent-based increase if the Commission so requests.

## **II. Payments to Qualifying Facilities Rider (QF)**

The May 12<sup>th</sup> Order states that the Commission could not identify the basis for the Billing Period Credits contained in the QF Rider, as presented in Exhibit C of the Compliance Filing. The credits can be found in "WP 1 (Marginal Cost Worksheet) REV 2016-10-11" on tab "Exhibit 9.04a" whose formulas are intact. Specifically, see the Annual column or cells K24 and K25 for Transmission, K36 and K37 for Primary, and K48 and K49 for Secondary. The "Marginal Energy Cost - \$/kWh" is used for non-firm QFs, and the "Total Average Marginal Cost at an 80% Capacity Factor - \$/kWh" is used for firm QF.

PREPA further clarifies that the credit provided to Qualifying Facilities is differentiated between "Firm" and "Non-'Firm" resources. Firm resources are provided a capacity credit as well as an energy credit. In contrast, non-firm resources are only

provided an energy credit. The reduced credit for non-firm resources reflects the lower avoided cost which PREPA experiences since it cannot rely upon using these resources to avoid future capacity resources.

PREPA further adds that the credit is provided by voltage level as opposed to on a tariff basis. Supply from Qualifying Facilities are valued based upon voltage level. The tariff under which the customer receives service is irrelevant to the calculation of the avoided cost payment.

Finally, PREPA intends to update the avoided energy cost value with every quarterly filing of the Fuel Cost Adjustment in order to capture fluctuations in fuel cost which are driven by normal volatility in the fuels market.

### **III. Cable TV Power Supplies (CATV)**

The Commission could not identify the basis for the monthly Energy Charge increase corresponding to the 60 volts and 90 volts power supplies. PREPA responds that it applied the aforementioned \$0.00779/kWh to monthly kWh values of 656 kWh and 494 kWh, respectively. Specifically, the 60V increased \$5.11<sup>3</sup>, from \$50.32 to \$55.43; and the 90V increased \$3.85<sup>4</sup>, from \$37.89 to \$41.74.

### **IV. Changes to Tariff Book**

The May 12<sup>th</sup> Order required that PREPSA update its tariff book to amend certain language contained in Net Metering Credit Rider (NM) relating to Grandfathering. These specific changes are made, along with other minor corrections, in the attached

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<sup>3</sup> \$0.00779/kWh \* 656 kWh = \$5.11

<sup>4</sup> \$0.00779/kWh \* 494 kWh = \$3.85

amended Exhibit C. PREPA is providing Exhibit C (Amended) in both redline and clean versions for the Commission's convenience.

WHEREFORE, the Puerto Rico Electric Power Authority respectfully requests that the Honorable Puerto Rico Energy Commission accept this Compliance Filing, including its Attachments.

RESPECTFULLY SUBMITTED,

IN SAN JUAN, PUERTO RICO, THIS 17th DAY OF MAY, 2017

**PUERTO RICO ELECTRIC POWER AUTHORITY**



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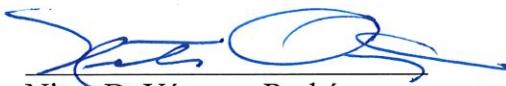


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**CERTIFICATION OF FILING AND SERVICE**

I hereby certify that on May 18, 2017, I have sent the above filing, including its Attachments, to the Puerto Rico Energy Commission through its Clerk via secretaria@energia.pr.gov, and to the office of its General Counsel via tnegron@energia.pr.gov and afigueroa@energia.pr.gov, and to: acasellas@amgprlaw.com; agraitfe@agraitlawpr.com; agraitfe@gmail.com; agraitfe@caribe.net; ana.rodriguez@oneillborges.com; carlos.reyes@ecoelectrica.com; carlos.valldejuly@oneillborges.com; ccf@tcmrslaw.com; cfl@mcvpr.com; codiot@oipc.pr.gov; dortiz@elpuente.us; dperez@cabprlaw.com; edwin.quinones@aae.pr.gov; energiaverdepr@gmail.com; epo@amgprlaw.com; felipelozada1949@gmail.com; fermin.fontanes@oneillborges.com; fviejo@amgprlaw.com; hburgos@cabprlaw.com; icv@mcvpr.com; jose.maeso@aae.pr.gov; jperez@oipc.pr.gov; lga@elpuente.us; lionel.orama@upr.edu; lmateo@ferraiuoli.com; mgrpcorp@gmail.com; mrhernandez@fgrlaw.com; mgrpcorp@gmail.com; pnieves@fgrlaw.com; rstgo2@gmail.com; valvarados@gmail.com; victorluisgonzalez@yahoo.com.



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PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**GENERAL RESIDENTIAL SERVICE**

**DESIGNATION:**

GRS

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to residential customers for domestic uses. The Puerto Rico Electric Power Authority (PREPA) will provide and install the meter in each residence or apartment and the customer is responsible to supply the installations needed for its placement.

This rate may also apply to houses, apartments, and other structures which are primarily intended for residential purposes, where no more than two rooms in which the total connected load does not exceed 500 watts, are used by tenant for business or professional purposes; otherwise, the General Service at Secondary Distribution Voltage (GSS) Rate shall be applied to both, business and residential uses, if not separately metered.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, 2 or 3 wires, single or three-phase; 120, 208, or 240 volts, at PREPA's option.

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$4.00

Monthly Energy Charge:

\$0.04944 per kWh for the first 425 kWh of monthly consumption  
\$0.05564 per kWh of additional monthly consumption



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

Minimum Bill:

\$4.00

**RECONCILIATION CLAUSES AND RIDERS:**

GRS Rate is subject to the following Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider FOS - Fuel Oil Subsidy
4. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
5. Rider SUBA-HH – Help to Humans Subsidies
6. Rider SUBA-NHH - Non Help to Humans Subsidies
7. Rider EE - Energy Efficiency Charge
8. Rider NM - Net Metering Credit
9. Rider SC - Securitization Charge
10. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
11. Rider LP – Life Preserving Discount Rider
12. Rider DD – Direct Debit Rider
13. Rider TUP – True-up of Provisional Rate Increase

Date Filed: \_\_\_\_\_  
Issued by: \_\_\_\_\_  
Effective Date: \_\_\_\_\_

Original Sheet No. 3  
Replacing: None



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**LIFELINE RESIDENTIAL SERVICE**

**DESIGNATION:**

LRS

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to residential customers, who fulfill the Nutritional Assistance Program criteria, for all domestic uses.

The Puerto Rico Electric Power Authority (PREPA) will provide and install the meter in each residence or apartment, and the customer is responsible to supply the installations needed for its placement.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, 2 or 3 wires, single or three-phase; 120, 208, or 240 volts, at PREPA's option.

**CHARGES:**

Monthly Customer Charge:

\$3.00

Monthly Energy Charge:

\$0.02054 per kWh for the first 425 kWh of monthly consumption  
\$0.05564 per kWh of additional monthly consumption

Minimum Bill:

\$3.00



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**RECONCILIATION CLAUSES AND RIDERS:**

LRS Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider FOS - Fuel Oil Subsidy
4. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
5. Rider SUBA-HH – Help to Humans Subsidies
6. Rider SUBA-NHH - Non Help to Humans Subsidies
7. Rider EE - Energy Efficiency Charge
8. Rider NM - Net Metering Credit
9. Rider SC - Securitization Charge
10. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
11. Rider LP – Life Preserving Discount Rider
12. Rider DD – Direct Debit Rider
13. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

---

**RESIDENTIAL SERVICE FOR PUBLIC HOUSING PROJECTS**

**DESIGNATION:**

RH3

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to residential customers of Public Housing Projects supported or subsidized in whole or in part by loans, grants, contributions or appropriations of the federal, state, or municipal governments. The owner will provide a complete electrical distribution system adequate to serve the Project, with connections for service and meter in each house or apartment in accordance with drawings and specifications approved by the Puerto Rico Electric Power Authority (PREPA). The ownership of such system shall be transferred to PREPA that will assume the system operation and maintenance costs. The service shall be provided for all domestic uses.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, 2 or 3 wires, single or three-phase; 120, 208, or 240 volts, at PREPA's option.

**CHARGES:**

Monthly Customer Charge:

\$2.00

Monthly Energy Charge:

\$0.00694 per kWh for the first 425 kWh of monthly consumption  
\$0.05564 per kWh of additional monthly consumption

Minimum Bill:

\$2.00



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**RECONCILIATION CLAUSES AND RIDERS:**

RH3 Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider FOS - Fuel Oil Subsidy
4. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
5. Rider SUBA-HH – Help to Humans Subsidies
6. Rider SUBA-NHH - Non Help to Humans Subsidies
7. Rider EE - Energy Efficiency Charge
8. Rider NM - Net Metering Credit
9. Rider SC - Securitization Charge
10. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
11. Rider LP – Life Preserving Discount Rider
12. Rider DD – Direct Debit Rider
13. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**RESIDENTIAL FIXED RATE FOR PUBLIC HOUSING UNDER  
OWNERSHIP OF THE PUBLIC HOUSING ADMINISTRATION**

**DESIGNATION:**

RFR

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

The RFR Rate is established by the Puerto Rico Electric Power Authority (PREPA) according to the dispositions of Act 22-2016. The RFR Rate is granted to customers residing in a housing unit physically located within a public housing project owned by the Public Housing Administration for all domestic uses.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, 2 or 3 wires, single or three-phase; 120, 208, or 240 volts, at PREPA's option.

**CHARGES:**

RFR: 1 Room Housing

Fixed Charge	\$30.00 per month
Energy – In Excess of 600 kWh	\$0.05564 per kWh

RFR: 2 or 3 Room Housing

Fixed Charge	\$40.00 per month
Energy – In Excess of 800 kWh	\$0.05564 per kWh

RFR: 4 or 5 Room Housing

Fixed Charge	\$50.00 per month
Energy – In Excess of 1000 kWh	\$0.05564 per kWh



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**RECONCILIATION CLAUSES AND RIDERS:**

RFR Rate is subject to the following Reconciliation Clauses and Riders, for each kWh that exceeds the corresponding consumption limit (in kWh):

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider DD – Direct Debit Rider
11. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**GENERAL SERVICE AT SECONDARY DISTRIBUTION VOLTAGE**

**DESIGNATION:**

GSS

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to any non-residential service with a load lower than 50 kVA. Also, it shall apply to temporary electric power service for limited use in streets, carnivals and others. Service shall be rendered through one point of connection and one metering point.

The Puerto Rico Electric Power Authority (PREPA) will provide and install the meter. The customer shall supply the installations needed for the placement of the meter, as well as those required to render the electric power service. The measurement will be done according to this rate and to the Regulation Governing the General Terms and Conditions for Supplying Electric Service. The service will be provided and billed to the owner or legal entity responsible for the prompt payment of the rendered service as well as for the deposit of the respective bond.

Two or more industrial firms may contract electric power service through one meter, if they meet all the following requirements:

1. The industrial firms shall be the property of one owner or Parent Corporation.
2. The firms shall be located in the same building or adjacent buildings in the same lot.
3. The firms will manufacture the same product or complementary products, which form part of the same article.
4. The firms cannot have debts with PREPA at the time they request this benefit.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, single or three-phase; 120, 208, 240 or 480 volts, at PREPA's option.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**CHARGES:**

Monthly Customer Charge:

\$5.00

Monthly Energy Charge:

\$0.08449 per kWh

Minimum Bill:

\$5.00

**RECONCILIATION CLAUSES AND RIDERS:**

GSS Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider CSW – Church and Social Welfare Discount Rider
11. Rider CIT – Credits for Incentives to Tourism Rider
12. Rider CRA – Credits for Rural Aqueducts Rider
13. Rider CAC – Common Areas for Condominium
14. Rider DCS – Downtown Commerce Subsidy Rider
15. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**GENERAL SERVICE AT PRIMARY DISTRIBUTION VOLTAGE**

**DESIGNATION:**

GSP

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to industrial customers and commercial customers. Service shall be rendered through one point of connection and through only one meter.

The customer shall provide the installations required to receive the electric power service from the Puerto Rico Electric Power Authority (PREPA), including the substation. Transformers and related equipment may be rented from PREPA, if available, following the existing procedures. PREPA will provide and install the metering system. The customer is responsible to supply the installations needed for the placement of the metering system. The measurement will be done according to this rate and to the Regulation Governing the General Terms and Conditions for Supplying Electric Service.

The service will be provided and billed to the owner or legal entity responsible for the prompt payment of the rendered service as well as for the deposit of the respective bond.

Two or more industrial firms may contract electric power service through one meter, if they meet all the following requirements:

1. The industrial firms shall be the property of one owner or Parent Corporation.
2. The firms shall be located in the same building or adjacent buildings in the same lot.
3. The firms will manufacture the same product or complementary products, which form part of the same article.
4. The firms cannot have debts with PREPA at the time they request this benefit.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, 3 or 4 wires, three-phase; 2,400; 4,160; 8,320; 13,200 volts or another primary distribution voltage at PREPA's option.

**MAXIMUM DEMAND AND CONSUMPTION:**

The kilowatt-hour consumption and the maximum demand for each period will be determined by the readings of the meter. The maximum demand in any month for each period will be the maximum demand registered during a period of 15 consecutive minutes in the month. The demand shall not include offsets due to Net Metering or the output of other customer owned generation equipment.

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$200.00 per month

Monthly Energy Charge:

\$0.04694 per kWh for each of the first 300 kWh per kW of maximum demand

\$0.03894 per kWh for each kWh of additional consumption

Monthly Demand Charge:

\$8.10 per kVA of the maximum demand registered during a period of 15 consecutive minutes during the billing month. The demand shall not include offsets due to Net Metering or the output of other customer owned generation equipment.

Excess Demand Charge:

If the maximum demand established during the month is higher than the contracted load, the excess over the latter shall be billed at \$10 per kVA.

Minimum Bill:

\$605 plus the Reconciliation Clauses and Riders



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**RECONCILIATION CLAUSES AND RIDERS:**

GSP Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider CSW – Church and Social Welfare Discount Rider
11. Rider CIT – Credits for Incentives to Tourism Rider
12. Rider CAC – Common Areas for Condominium
13. Rider LR – Load Retention Rider
14. Rider TUP – True-up of Provisional Rate Increase

**TERM OF CONTRACT:**

One year; can be cancelled thereafter with an advance notice of 60 days by either party.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**GENERAL SERVICE AT TRANSMISSION VOLTAGE**

**DESIGNATION:**

GST

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to commercial and industrial customers, connected to the transmission system, that have a demand of 250 kVA or greater, for general uses including motive power, heating, refrigeration, and incidental lighting of industries, hotels, and any other establishment. The service shall be provided from only one point of connection and through only one meter.

The customer shall supply the installations required to receive the electric power service from the Puerto Rico Electric Power Authority (PREPA), including the substation. Transformers and related equipment may be rented from PREPA, if available, following the existing procedures. PREPA will provide and install the metering system. The customer is responsible to supply the installations needed for the placement of the metering system. The measurement will be done according to this rate and to the Regulation Governing the General Terms and Conditions for Supplying Electric Service.

The service will be provided and billed to the owner or legal entity responsible for the prompt payment of the rendered service as well as for the deposit of the respective bond.

Two or more industrial firms may contract electric power service through one meter, if they meet all the following requirements:

1. The industrial firms shall be the property of one owner or Parent Corporation.
2. The firms shall be located in the same building or adjacent buildings in the same lot.
3. The firms will manufacture the same product or complementary products, which form part of the same article.
4. The firms cannot have debts with PREPA at the time they request this benefit.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, three-phase; 38 kV or 115 kV at PREPA's option.

**MAXIMUM DEMAND AND CONSUMPTION:**

The kilowatt-hour consumption and the maximum demand for each period will be determined by the readings of the meter. The maximum demand in any month for each period will be the maximum demand registered during a period of 15 consecutive minutes in the month. The demand shall not include offsets due to Net Metering or the output of other customer owned generation equipment.

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$450.00 per month

Monthly Energy Charge:

\$0.03650 per kWh for each of the first 300 kWh per kW of maximum demand

\$0.03250 per kWh for each kWh of additional consumption

Monthly Demand Charge:

\$7.70 per kVA of the maximum demand registered during a period of 15 consecutive minutes during the billing month. The demand shall not include offsets due to Net Metering or the output of other customer owned generation equipment.

Excess Demand Charge:

If the maximum demand established during the month is higher than the contracted load, the excess over the latter shall be billed at \$9.60 per kVA.

Minimum Bill:

\$2,375 plus the Reconciliation Clauses and Riders

**RECONCILIATION CLAUSES AND RIDERS:**

Tariff GST is subject to the following Reconciliation Clauses and Riders:



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider CSW – Church and Social Welfare Discount Rider
11. Rider CIT – Credits for Incentives to Tourism Rider
12. Rider CRA – Credits for Rural Aqueducts Rider
13. Rider CAC – Common Areas for Condominium
14. Rider LR – Load Retention Rider
15. Rider TUP – True-up of Provisional Rate Increase

**TERM OF CONTRACT:**

One year; can be cancelled thereafter with an advance notice of 60 days by either party.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**TIME OF USE AT PRIMARY DISTRIBUTION VOLTAGE**

**DESIGNATION:**

TOU-P

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to commercial and industrial customers with a demand of 1,000 kVA or greater, that:

1. Transfer load from the on-peak period to the off-peak period
2. Add load during the off-peak period
3. Remove load from the on-peak period

The following shall apply to customers with a demand between 1,000 kVA and 3,000 kVA:

1. A block of 10,000 kVA limits the transference and increase of load in the off-peak period.
2. When this initial load block is complete, the Puerto Rico Electric Power Authority (PREPA) shall identify other blocks for new contracts. These blocks will be determined based on the amount of kVA that PREPA needs to transfer to the off-peak period. The Executive Director shall authorize these additional blocks.
3. The granting of the rate will depend on PREPA's ability to assign generation in the off-peak period.

The customer shall provide the installations required to receive the electric power service from the Puerto Rico Electric Power Authority (PREPA), including the substation. Transformers and related equipment may be rented from PREPA, if available, following the existing procedures. PREPA will provide and install the metering system. The customer is responsible to supply the installations needed for the placement of the metering system. The measurement will be done according to this rate and to the Regulation Governing the General Terms and Conditions for Supplying Electric Service.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**SPECIAL CONDITIONS:**

1. The Director of Planning and Environmental Protection must approve the granting of this rate.
2. The customer must inform PREPA about the actions taken to add or remove load or to transfer load from the on-peak period to the off-peak period.
3. The customer must provide the communication facilities required for the remote reading of the meter.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, 3 or 4 wires, three-phase, 2,400; 4,160; 8,320; 13,200 volts or another primary distribution voltage at PREPA's option.

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$200.00 per month

Monthly Energy Charge:

\$0.05779 per kWh during the on-peak period, plus

\$0.01879 per kWh during the off-peak period

Monthly Demand Charge

\$8.10 per kVA of the maximum demand registered during the on-peak period for a period of 15 consecutive minutes during the billing month.

Plus

\$1.10 per kVA of the maximum demand registered during the off-peak period for a period of 15 consecutive minutes during the billing month.

Minimum Bill:

For customers with a demand of 3,000 kVA or greater:

\$3,500 plus the energy charge and the Reconciliation Clauses and Riders

For customers with a demand of 1,000 kVA or greater and less than 3,000 kVA:

\$1,300 plus the energy charge and the Reconciliation Clauses and Riders



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**PERIODS:**

- |                        |                                                                                                                                                                                                                                   |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>On-peak Period</b>  | The hours of 9:00 a.m. to 10:00 p.m. during weekdays (Monday through Friday), excluding certain Holidays.                                                                                                                         |
| <b>Off-peak Period</b> | The hours of 10:00 p.m. to 9:00 a.m. during the weekdays (Monday through Friday), all weekend hours, and all hours during certain Holidays.                                                                                       |
| <b>Holidays</b>        | The Holidays are as follows: New Year's Day; Three Kings Day; Good Friday; United States Independence Day; Constitution of the Commonwealth of Puerto Rico; Labor Day; Discovery of Puerto Rico; Thanksgiving Day; Christmas Day. |

**MAXIMUM DEMAND AND CONSUMPTION:**

The kilowatt-hour consumption and the maximum demand for each period will be determined by the readings of the meter. The maximum demand in any month for each period will be the maximum demand registered during a period of 15 consecutive minutes in the month. The demand shall not include offsets due to Net Metering or the output of other customer owned generation equipment.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**RECONCILIATION CLAUSES AND RIDERS:**

TOU-P Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider CSW – Church and Social Welfare Discount Rider
11. Rider CIT – Credits for Incentives to Tourism Rider
12. Rider CRA – Credits for Rural Aqueducts Rider
13. Rider CAC – Common Areas for Condominium
14. Rider LR – Load Retention Rider
15. Rider TUP – True-up of Provisional Rate Increase

**TERM OF CONTRACT:**

One year; can be cancelled thereafter with an advance notice of 60 days by either party.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**TIME OF USE AT TRANSMISSION VOLTAGE**

**DESIGNATION:**

TOU-T

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to commercial and industrial customers with a demand of 1,000 kVA or greater, that:

1. Transfer load from the on-peak period to the off-peak period
2. Add load during the off-peak period
3. Remove load from the on-peak period

The following shall apply to customers with a demand between 1,000 kVA and 3,000 kVA:

1. A block of 10,000 kVA limits the transference and increase of load in the off-peak period.
2. When this initial load block is complete, the Puerto Rico Electric Power Authority (PREPA) shall identify other blocks for new contracts. These blocks will be determined based on the amount of kVA that PREPA needs to transfer to the off-peak period. The Executive Director shall authorize these additional blocks.
3. The granting of the rate will depend on PREPA's ability to assign generation in the off-peak period.

The customer shall provide the substation. Transformers and related equipment may be rented from PREPA, if available, following the existing procedures. PREPA will provide and install the metering system. The customer is responsible to supply the installations needed for the placement of the metering system.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**SPECIAL CONDITIONS:**

1. The Director of Planning and Environmental Protection must approve the granting of this rate.
2. The customer must inform PREPA about the actions taken to add or remove load or to transfer load from the on-peak period to the off-peak period.
3. The customer must provide the communication facilities required for the remote reading of the meter.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, 3 or 4 wires, three-phase, 38 kV or 115 kV at PREPA'S option.

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$450.00 per month

Monthly Energy Charge:

\$0.04679 per kWh during the on-peak period, plus

\$0.01779 per kWh during the off-peak period

Monthly Demand Charge

\$7.70 per kVA of the maximum demand registered during the on-peak period for a period of 15 consecutive minutes during the billing month.

Plus

\$1.00 per kVA of the maximum demand registered during the off-peak period for a period of 15 consecutive minutes during the billing month.

Minimum Bill:

For customers with a demand of 3,000 kVA or greater

\$3,450 plus the energy charge and the Reconciliation Clauses and Riders

For customers with a demand of 1,000 kVA or greater and less than 3,000 kVA:

\$1,450 plus the energy charge and the Reconciliation Clauses and Riders



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**PERIODS:**

<b>On-peak Period</b>	The hours of 9:00 a.m. to 10:00 p.m. during weekdays (Monday through Friday), excluding certain Holidays.
<b>Off-peak Period</b>	The hours of 10:00 p.m. to 9:00 a.m. during the weekdays (Monday through Friday), all weekend hours, and all hours during certain Holidays.
<b>Holidays</b>	The Holidays are as follows: New Year's Day; Three Kings Day; Good Friday; United States Independence Day; Constitution of the Commonwealth of Puerto Rico; Labor Day; Discovery of Puerto Rico; Thanksgiving Day; Christmas Day.

**MAXIMUM DEMAND AND CONSUMPTION:**

The kilowatt-hour consumption and the maximum demand for each period will be determined by the readings of the meter. The maximum demand in any month for each period will be the maximum demand registered during a period of 15 consecutive minutes in the month. The demand shall not include offsets due to Net Metering or the output of other customer owned generation equipment.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**RECONCILIATION CLAUSES AND RIDERS:**

TOU-T Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider CSW – Church and Social Welfare Discount Rider
11. Rider CIT – Credits for Incentives to Tourism Rider
12. Rider CRA – Credits for Rural Aqueducts Rider
13. Rider LR – Load Retention Rider
14. Rider TUP – True-up of Provisional Rate Increase

**TERM OF CONTRACT:**

One year; can be cancelled thereafter with an advance notice of 60 days by either party.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**LARGE INDUSTRIAL SERVICE (115 kV)**

**DESIGNATION:**

LIS

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

Exclusively to industries with a demand equal to 12,000 kW or higher, with a load factor equal to 80% or higher, and a monthly average power factor equal to 95% or higher. Customers that during any two consecutive months have a monthly load factor less than 80% will have an additional monthly energy charge corresponding to the kilowatt-hours needed to obtain a load factor of 80%. This will apply from the second month until the customer meets a monthly load factor of 80% or higher.

The customer shall supply the installations required to receive the electric power service from the Puerto Rico Electric Power Authority (PREPA), including the substation. PREPA will provide and install the metering system. The customer is responsible to supply the installations needed for the placement of the metering system. The service shall be provided and measured at only one point of connection.

The measurement will be done according to this rate and to the Regulation Governing the General Terms and Conditions for Supplying Electric Service.

This service will only be provided if there is sufficient capacity available and if PREPA determines that the reliability of the line or sectionalizer at the connection point is not adversely affected.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**SPECIAL CONDITIONS:**

1. The connection point, conditions and improvements required for the interconnection will be determined by means of consultation and coordination with the Divisions of:
  - a. Planning and Research
  - b. Transmission and Distribution
  - c. Electric System Operations
2. Two or more industries may contract electric service through one meter under this rate as long as they meet the following requirements:
  - a. The total demand of the industries should fulfill the monthly requirement of having a demand equal to 12,000 kW or higher, a load factor of 80% or higher, and an average power factor of 95% or higher.
  - b. The industries shall be property of the same owner or Parent Corporation.
  - c. The industries concerned must have no arrears in the payment of their respective bills.
3. The customer must provide the necessary communications facilities for the remote reading of the meter.
4. The service will be provided and billed under the sole responsibility of the owner or legal entity responsible of the prompt payment of the service rendered, as well as the deposit of the required bond.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, 3 or 4 wires, three-phase, 115 KV.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$450.00 per month

Monthly Energy Charge:

\$0.02496 per kWh for each of the first 584 kWh per kW of maximum demand

\$0.01896 per kWh per each kWh of additional consumption

Monthly Demand Charge:

\$6.00 per kVA of the maximum demand registered during a period of 15 consecutive minutes during the billing month. The demand shall not include offsets due to Net Metering or the output of other customer owned generation equipment.

Excess Demand Charge:

If the maximum demand established during the month is higher than the contracted load, the excess over the latter shall be billed at \$9.60 per kVA.

Minimum Bill:

\$72,450 per month plus the Reconciliation Clauses and Riders.

**MAXIMUM DEMAND AND CONSUMPTION:**

The kilowatt-hour consumption and the maximum demand for each period will be determined by the readings of the meter. The maximum demand in any month for each period will be the maximum demand registered during a period of 15 consecutive minutes in the month. The demand shall not include offsets due to Net Metering or the output of other customer owned generation equipment.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**RECONCILIATION CLAUSES AND RIDERS:**

LIS Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider LR – Load Retention Rider
11. Rider TUP – True-up of Provisional Rate Increase

**TERM OF CONTRACT:**

One year. This contract is automatically renewed and can be canceled with a year's prior notice by either party.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

---

**GENERAL AGRICULTURAL SERVICE AND  
AQUEDUCT PUMPS OPERATED BY RURAL COMMUNITIES**

**DESIGNATION:**

GAS

**AVAILABLE:**

Rural zone of Puerto Rico

**APPLICABLE:**

This rate applies to farmers and customers dedicated to raising animals. The service shall be provided for motive power, lighting, irrigation pumps, refrigeration and heating. Also, this rate applies to customers that operate pumps to supply aqueduct service exclusively in rural communities; incidental lighting related to this operation is permitted. Service shall be through one point of connection and one metering point for load less than 50 kVA. The Puerto Rico Electric Power Authority (PREPA) will provide and install the meter. The customer is responsible to supply the installations needed for the placement of the meter.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, single or three-phase, 120, 208, 240 volts or other distribution voltages at PREPA's option.

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$10.00

Monthly Energy Charge:

\$0.06179 per kWh

Minimum Bill:

\$10.00

Date Filed: \_\_\_\_\_  
Issued by: \_\_\_\_\_  
Effective Date: \_\_\_\_\_

Original Sheet No. 31  
Replacing: None



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**RECONCILIATION CLAUSES AND RIDERS:**

GAS Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider CRA – Credits for Rural Aqueducts Rider
11. Rider LR – Load Retention Rider
12. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

---

**OUTDOOR SPORTS FIELD LIGHTING FOR  
PARKS WHERE ADMISSION RIGHTS ARE COLLECTED**

**DESIGNATION:**

LP-13

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to sports fields where admission rights are collected having a connected load for outdoor illumination of 500 kilowatts or greater. Service shall be through one point of delivery and one metering point. The customer must provide all the electrical installations required for rendering service under this rate schedule, including the substation. The measurement system will be provided and installed by the Puerto Rico Electric Power Authority (PREPA). The customer is responsible to supply the installations needed for the placement of the meter.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, three phase, 3 or 4 wires, 2,400 V, 4,160 V, 8,320 V, 13,200 V or other primary distribution voltage at PREPA's option.

**BILLING PERIOD CHARGES:**

Monthly Energy Charge:

\$0.09779 per kWh for each of the first 100 kWh per kW of maximum demand

\$0.08779 per kWh per each kWh of additional consumption

**MINIMUM BILL:**

\$1,200 plus the Reconciliation Clauses and Riders



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ELECTRIC SERVICE RATES AND RIDERS

**RECONCILIATION CLAUSES AND RIDERS:**

LP-13 Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider LR – Load Retention Rider
11. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

---

**CABLE TV POWER SUPPLIES**

**DESIGNATION:**

CATV

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate applies to all cable TV power supplies.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, single or three-phase, 120 volts or other distribution voltages at PREPA's option.

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$5.00

Monthly Energy Charge:

Volts	kWh	\$
60	656	55.43
90	494	41.74

In case that the Cable TV company installs, or PREPA's determines that a power supply exists with a different consumption from the presented in the previous table, the monthly energy charge will be calculated based on \$0.08449 per kWh.

Minimum Bill:

\$5.00



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

---

**RECONCILIATION CLAUSES AND RIDERS:**

CATV Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider LR – Load Retention Rider
11. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

---

**PUBLIC LIGHTING GENERAL**

**DESIGNATION:**

PLG

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to the lighting of: streets, ball parks and other parks of free admission, plazas, telephone booths, bus shelters, and traffic and police strobe lights. The Puerto Rico Electric Power Authority (PREPA) will provide the conservation and renewal of lamps, brackets, photocells, standard poles, wiring and other street lighting accessories, to systems transferred to PREPA and to *dusk to dawn* luminaries. PREPA will not provide the conservation and renovation of materials to: street lighting systems that have not been transferred to PREPA, traffic lights, free admission parks, telephone booths, bus shelters, and police strobe lights. Unless indicated, the customer shall pay for the materials, labor, and other costs related to the installation or retirement of equipment needed for the connection with PREPA's system.

The following services: street lighting, *dusk to dawn*, and telephone booths will be controlled by a photocell that activates each lamp during the night and deactivates it during the day, on series or multiple systems, at PREPA's option. The photocell must be designed so that if it becomes damaged, the lamp will remain off. Each lamp will be on approximately 4,000 hours in a year.

The following tables present an estimate of the consumption in kWh for each type of lamp of street lighting systems. Also, PREPA will estimate the consumption of telephone booths, bus shelters, and police strobe lights. For other uses, service shall be rendered through one point of delivery and one meter provided and installed by PREPA. All services under this rate must have a connected load less than 50 kVA.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, two wires, single phase, secondary distribution voltage.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**I. Public Lighting Rate for Streets and Roadways Systems Owned by PREPA (Codification 420)**

a. High Pressure Sodium Lamps

Systems built at customer expense (Municipality, Public Agency, Constructor, etc.) and ownership of such system transferred and vested to PREPA. The system must have standard lighting poles.

Lamp Capacity (Watts)	Lumens	Monthly kWh	Monthly Basic Charge (\$)
50	3,300	19.7	\$5.90
70	5,800	27.7	\$6.32
100	9,500	39.0	\$7.05
150	16,000	57.0	\$7.89
200	22,000	84.7	\$12.16
250	25,500	105.0	\$13.32
400	50,000	161.7	\$18.16

Plus, the applicable Reconciliation Clauses and Riders as listed at the end of the PLG section.

b. High Pressure Sodium Lamps

New systems constructed with PREPA's funds exclusively in existing poles used for the distribution system.

Lamp Capacity (Watts)	Lumens	Monthly kWh	Monthly Basic Charge (\$)
50	3,300	19.7	\$8.95
70	5,800	27.7	\$9.32
100	9,500	39.0	\$10.10
150	16,000	57.0	\$10.89
200	22,000	84.7	\$13.16
250	25,500	105.0	\$14.32



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

Plus the applicable Reconciliation Clauses and Riders as listed at the end of the PLG section.

c. Mercury Vapor Lamps

This rate shall apply for existing lighting systems at the effective date of this rate schedule.

Lamp Capacity (Watts)	Lumens	Monthly KWh	Monthly Basic Charge Urban Zone (\$)	Monthly Basic Charge Rural Zone (\$)
100	3,850	41.33	\$5.82	\$4.22
175	7,950	68.33	\$7.83	\$6.18
250	11,200	98.00	\$13.41	\$8.31
400	21,000	151.00	\$28.03	\$12.08
400 (Highway and Transportation Authority)	21,000	151.00	\$25.03	(Does not apply)

Plus the applicable Reconciliation Clauses and Riders as listed at the end of the PLG section.

**II. Public Lighting Rate for Streets and Roadways Systems without Operation, Maintenance and Materials Renewal Costs**

This rate shall apply to high-pressure sodium systems for streets and roadways lighting. The charges under this rate do not include the operation, maintenance, and renewal of the materials needed to provide this service from the delivery point. The service shall be metered except for the existing systems in which PREPA determines that it is not possible to meet this requirement.

**CHARGES:**

Monthly Customer Charge:

\$5.00

Monthly Energy Charge:

\$0.07779 per kWh

Date Filed: \_\_\_\_\_  
Issued by: \_\_\_\_\_  
Effective Date: \_\_\_\_\_

Original Sheet No. 38  
Replacing: None



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

Plus the applicable Reconciliation Clauses and Riders as listed at the end of the PLG section.

Existing systems in which PREPA determines that it is not possible to meter the service, the charges for the consumption shall be as specified in the following table for each lamp capacity in Watts.

Lamp Capacity (Watts)	Lumens	Monthly kWh	Monthly Basic Charge (\$)
50	3,300	19.7	\$1.55
70	5,800	27.7	\$2.22
100	9,500	39.0	\$3.10
150	16,000	57.0	\$4.44
200	22,000	84.7	\$6.66
250	25,500	105.0	\$8.32
400	50,000	161.7	\$12.76

For any other type of luminaires, in systems without meter, the basic charge will be calculated based on 7.779 cents for each kWh of monthly consumption.

Conditions:

1. This rate shall apply to customers that do not transfer the lighting system to PREPA, PREPA does not accept the transfer or the system does not meet PREPA's standards.
2. The change to this rate of existing systems with standard equipment will be only accepted if the municipality or association includes the totality of the standard equipment that it has or it controls. This change of rate is permanent; PREPA will not grant again the rate with the conservation and renewal of materials costs.

### III. Dusk to Dawn Luminaires

This rate applies to *dusk to dawn* luminaires installed by PREPA in existing poles used for the distribution system. If not available, the customer shall provide the system needed for the installation of the luminaires.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

Type of Lamp	Lamp Capacity (Watts)	Lumens	Monthly kWh	Monthly Basic Charge (\$)
High Pressure Sodium	50	3,300	19.7	\$8.95
	70	5,800	27.7	\$9.32
	100	9,500	39.0	\$10.10
	150	16,000	57.0	\$10.89
	200	22,000	84.7	\$13.16
	250	25,500	105.0	\$14.32
Mercury Vapor	175	7,950	68.3	\$5.78

Plus the applicable Reconciliation Clauses and Riders as listed at the end of the PLG section

The mercury vapor luminaire rate shall not be available for new customers.

**IV. Public Plazas (Codification 422)**

This rate applies to systems owned and controlled by municipalities or associations, on series or multiple systems. PREPA will provide and install the meter. The customer is responsible to supply the installations needed for the placement of the meter.

**CHARGES:**

Monthly Customer Charge:

\$5.00

Monthly Energy Charge:

\$0.04529 per kWh

Plus the applicable Reconciliation Clauses and Riders as listed at the end of the PLG section.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**V. Traffic Lights (Codification 423)**

This rate shall apply to systems owned and controlled by an agency or municipality. PREPA will provide and install the meter. The customer is responsible to supply the installations needed for the placement of the meter.

**CHARGES:**

Monthly Energy Charge:

\$0.05929 per kWh

Plus the applicable Reconciliation Clauses and Riders as listed at the end of the PLG section.

**VI. Ball Parks and Other Free Admission Parks (Codification 424)**

This rate shall apply to systems owned and controlled by government agencies, municipalities, and associations. PREPA will provide and install the meter. The customer is responsible to supply the installations needed for the placement of the meter.

**CHARGES:**

Monthly Customer Charge:

\$5.00

Monthly Energy Charge:

\$0.04529 per kWh

Plus the applicable Reconciliation Clauses and Riders as listed at the end of the PLG section.

**VII. Telephone Booths**

This rate shall apply to all the telephone booths in Puerto Rico. The booths will have a fluorescent lamp with a maximum capacity of 40W.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**CHARGES:**

Monthly Basic Charge:

\$1.51 per booth

Plus an adjustment charge as defined by the Reconciliation Clauses and Riders, based in a monthly consumption of 14.66 kWh for each booth.

**VIII. Bus Shelter**

This rate shall apply to all the bus shelters in Puerto Rico.

**CHARGES:**

Monthly Basic Charge:

\$7.51 per bus shelter

Plus an adjustment charge as defined by the Reconciliation Clauses and Riders, based in a monthly consumption of 117 kWh for each shelter

**IX. Police Strobe Lights**

This rate shall apply to all the police strobe lights in Puerto Rico.

**CHARGES:**

Monthly Basic Charge:

\$2.00 per strobe light

Plus an adjustment charge as defined by the Reconciliation Clauses and Riders, based in a monthly consumption of 77 kWh for each shelter.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**RECONCILIATION CLAUSES AND RIDERS:**

PLG Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**UNMETERED SERVICE FOR SMALL LOADS**

**DESIGNATION:**

USSL

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply to the services of the electric equipment installed on PREPA's pole or structures that operate 24 hours a day, with the exception of those equipment for which PREPA has another rate available (for example: Cable TV). The installed equipment consumption on every PREPA's pole or structure cannot exceed 200 kWh monthly.

The installation of the equipment has to comply with PREPA's current regulations, manuals, standards, and notices such as the National Electric Code and the National Safety Electric Code. The customer shall submit the manufacturer's data and specifications of the equipment that will be installed on PREPA's poles and structures to the Transmission and Distribution Directorate. The compliance with the previously mentioned dispositions will be verified with this information, and estimated consumption will be determined to bill this service. PREPA reserves the right to install metering equipment.

The client will be responsible to notify PREPA of any changes in the connected load and the quantity of installed equipment not later than 30 days after the change was made. In case the customer does not comply with these dispositions, PREPA can require the client to install the necessary metering equipment to bill these services with the applicable rate.

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, single or three phase; secondary distribution voltage.

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$4.60 per each installation in PREPA's poles and structures

Monthly Energy Charge:

\$0.08449 per kWh

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PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**RECONCILIATION CLAUSES AND RIDERS:**

USSL Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider LR – Load Retention Rider
11. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**POWER PRODUCERS CONNECTED AT PREPA BUS BAR**

**DESIGNATION:**

PPBB

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rate shall apply. This rate will apply to large power producers connected to the 230 kV bus bar that require PREPA's electric power service during startup, programmed maintenance, and outages of its generating equipment. The power producer generating units must operate in parallel with PREPA's system, upon previous consent of PREPA and subject to the terms and conditions provided for this type of operation. Service shall be provided through one point of delivery and through one or more meters as required. The power producer shall provide the metering system, the necessary communication facilities for the remote reading of the meter, and the equipment required for the interconnection with PREPA.

The power producer must have a contract with PREPA (Purchase Power Agreement) for the sale all of his produced energy exclusively to PREPA. In this contract, an equivalent availability of his generating units of at least, 85 percent must be guaranteed.

The power producer will have the option of requesting the following services:

1. Service during startup period
2. Service during programmed maintenance
3. Service for backup

**CHARACTER OF SERVICE:**

Alternating current, 60 Hertz, 3 or 4 wires, three-phase, 230 kV.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**DEFINITIONS:**

For this rate, the following definitions apply:

1. Contracted load for service during the startup period:
  - a. The capacity in kVA that the power producer contracts to serve the load during the startup period of his generating equipment.
2. Contracted load for service during the programmed maintenance period:
  - a. The capacity in kVA that the power producer contracts to be used only during the periods previously approved by PREPA as programmed maintenance periods of his generating units.
3. Contracted load for backup service:
  - a. The capacity in kVA that the power producer contracted to serve the load during the outages of his generating equipment.

**BILLING PERIOD CHARGES:**

Monthly Customer Charge:

\$521.68

Monthly Energy Charge:

\$0.02811 per kWh

Monthly Demand Charge:

\$8.58 per kVA

Excess Demand Charge:

If the maximum demand established during the month is higher than the contracted load, the excess over the latter shall be billed at \$11.59 per kVA.

**MAXIMUM DEMAND AND CONSUMPTION:**

The kilowatt-hour consumption and the maximum demand for each period will be determined by the readings of the meter. The maximum demand in any month for each period will be the maximum demand registered during a period of 15 consecutive minutes in the month. The demand shall not include offsets due to Net Metering or the output of other customer owned generation equipment.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**CONTRACTED LOAD DETERMINATION:**

The power producer shall, by a signed contract, establish the capacity requirements in kVA for each one of the requested services and it will be known as contracted load. This load will be enforced through the term of the contract, unless both parties consent to change it with a previous agreement. PREPA will exercise the right to establish the maximum capacity to be served under this rate and it is not forced to serve a load higher than 110% of the contracted quantity. If for two consecutive billing periods the power producer maximum demand exceeds the contracted load, the higher demand will be used as the new contracted load.

**SPECIAL REQUIREMENTS:**

A service fee equal to \$8.58 per kVA of contracted load will be required for service during the startup period. This service will be provided after the payment of this fee by the power producer. The power producer will contract additional startup periods in blocks of five months, after a five months initial startup period. These additional startup periods will be subject to the service fee. PREPA will officially certify the termination of the startup period of the power producer generating units.

The programmed maintenance period will be determined according to the Purchase Power Agreement. If by any reason, the real maintenance exceeds the period specified in the agreement, the power producer will be charged after this, under option (c) of this rate.

If meter readings, energy and demand, are performed at the secondary side of the customer's substation, the readings shall be referred to the primary side, which is the point of delivery, using a correction factor to account for transformer losses.

**TERM OF CONTRACT:**

The term of contract is five-month periods for startup service and one year for maintenance programmed and backup services.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**RECONCILIATION CLAUSES AND RIDERS:**

PPBB Rate is subject to the following Reconciliation Clauses and Riders:

1. Rider FCA - Fuel Charge Adjustment
2. Rider PPCA - Purchased Power Charge Adjustment
3. Rider CILTA - Contributions in Lieu of Taxes (CILT) – Municipalities
4. Rider SUBA-HH – Help to Humans Subsidies
5. Rider SUBA-NHH - Non Help to Humans Subsidies
6. Rider EE - Energy Efficiency Charge
7. Rider NM - Net Metering Credit
8. Rider SC - Securitization Charge
9. Rider QF - Purchases from Qualifying Facilities (Parallel Generation)
10. Rider TUP – True-up of Provisional Rate Increase



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**FUEL CHARGE ADJUSTMENT RIDER**

**DESIGNATION:**

FCA

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all tariffs except for the fixed block of Tariff RFR.

The Fuel Charge Adjustment (FCA) is a reconciling rider mechanism which recovers the cost of fuel consumed in PREPA's generating units on a quarterly basis. The FCA shall apply to all of PREPA's rates with the exception of the base usage contained in RFR Rate.

The formula to calculate the Fuel Charge Adjustment factor is:

$$FCA = \frac{(Total\ Cost\ of\ Fuel + Prior\ Period\ Reconciliation)}{Applicable\ Retail\ kWh\ Sales}$$

**Total Cost of Fuel**

The cost of fuel purchased for all PREPA's generating facilities for the three (3) forecasted months in the quarterly time period. The cost estimates shall be presented on a monthly basis and include all detail on the type of fuel forecasted to be consumed.

**Prior Period Reconciliation**

The under- or over-recovered funds for the first two (2) months of the current quarterly time period and the last month of the prior quarterly time period. PREPA shall provide the reconciling balance with each proposed quarterly filing of the FCA.



**PUERTO RICO ELECTRIC POWER AUTHORITY**

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**ELECTRIC SERVICE RATES AND RIDERS**

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**Applicable Retail kWh Sales**

Energy sales to all classes of customers (except for the first block of RFR Tariff), including the net inflow (i.e. inflow – outflow) to all net metering customers.

**Quarterly Filing**

PREPA shall make a filing for a proposed FCA factor before the end of the second week of the third month of each quarter with the Puerto Rico Energy Commission (CEPR) which will be proposed to go into effect with the first billing cycle of the first month of the following quarter.

If a revised FCA factor is not approved, the previous quarters' FCA factor shall remain in effect until a new factor is approved.

**Accelerated Adjustment**

Each month, after final Fuel Purchase Expense and Purchased Power Expense are available to PREPA, the company shall prepare a re-estimate comparing the re-estimated recovery of fuel purchased and purchased power for the quarterly period. If the re-estimated fuel purchase and purchased power expenses deviated from the estimates by more than \$20 million, PREPA shall re-estimate the Fuel and Purchased Power Charge Adjustment factors to provide an expected value of zero for the quarterly time period.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**PURCHASED POWER CHARGE ADJUSTMENT RIDER**

**DESIGNATION:**

PPCA

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all tariffs except for the fixed block of Tariff RFR.

The Purchased Power Charge Adjustment (PPCA) is a reconciling rider mechanism which recovers the cost of purchased power on a quarterly basis. The PPCA shall apply to all of PREPA's rates with the exception of the base usage contained in RFR Rate.

The formula to calculate the PPCA factor is:

$$PPCA = \frac{(Total\ Purchased\ Power + Prior\ Period\ Reconciliation)}{Applicable\ Retail\ kWh\ Sales}$$

Total Cost of Purchased Power

The cost of purchased sources of energy and capacity for the three forecasted months in the quarterly time period. The cost estimates shall be presented on a monthly basis and include all detail on the type of purchased power forecasted to be consumed.

Prior Period Reconciliation

The under- or over-recovered funds for the first two months of the current quarterly time period and the last month of the prior quarterly time period. PREPA shall provide the reconciling balance with each proposed quarterly filing of the PPCA.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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Applicable Retail kWh Sales

Energy sales to all classes of customers (except for the first block of RFR Tariff), including the net inflow (i.e. inflow – outflow) to all net metering customers.

Quarterly Filing

PREPA shall make a filing for a proposed PPCA factor before the end of the second week of the third month of each quarter with the Puerto Rico Energy Commission (CEPR) which will be proposed to go into effect with the first billing cycle of the first month of the following quarter. If a revised PPCA factor is not approved the previous quarters' PPCA factor shall remain in effect until a new factor is approved.

Accelerated Adjustment

Each month after final Fuel Purchase Expense and Purchased Power Expense are available to PREPA, the company shall prepare a re-estimate comparing the re-estimated recovery of fuel purchased and purchased power for the quarterly period. If the re-estimated fuel purchase and purchased power expenses deviated from the estimates by more than \$20 million, PREPA shall re-estimate the Fuel and Purchased Power Charge Adjustment factors to provide an expected value of zero for the quarterly time period.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**FUEL OIL SUBSIDY RIDER**

**DESIGNATION:**

FOS

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

Subsidized General Residential Service Rate (GRS) for handicapped, elderly or college students); Lifeline Residential Service (LRS) Rate and Residential Service for Public Housing (RH3) Rate, include the Fuel Oil Subsidy when the customer's monthly consumption does not exceed 500 kWh

The Fuel Oil Subsidy will apply to qualifying residential customers with monthly consumption of up to 500 kWh. A Fuel Oil Subsidy Factor will be calculated and adjusted quarterly to apply this subsidy.

For the first \$30 per barrel of fuel oil, excluding natural gas, customers under this subsidy will receive a credit equivalent to the Fuel Oil Subsidy Factor multiplied by the customer's monthly consumption in kWh, up to a consumption of 400 kWh.

For customers with consumption between 401 and 425 kWh, the customer will receive a credit equivalent to the amount received with a consumption of 400 kWh.

For customers with a consumption of between 426 kWh to 500 kWh, the credit will be phased out from the credit received at 425 kWh to reach 0 at 500 kWh.

Monthly Consumption (kWh)		Formula
0	400	Fuel Oil Subsidy Factor *kWh
401	425	Fuel Oil Subsidy Factor *400
426	500	Fuel Oil Subsidy Factor *(500-kWh)*400/75



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**CONTRIBUTIONS IN LIEU OF TAXES COST ADJUSTMENT RIDER**

**DESIGNATION:**

CILTA

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all tariffs except for the fixed block of Tariff RFR.

The Contribution in Lieu of Taxes Adjustment (CILTA) is a reconciling rate mechanism which recovers the cost of CILT payments, required to be made by PREPA, on an annual basis.

The CILTA shall be applicable to all gross kWh consumed by customers served on all of PREPA's rates with the exceptions of the base usage contained in the Residential Fixed Rate.

The formula to calculate the CILTA factor is:

$$CILTA = \frac{(CILT + \text{Prior Period Reconciliation})}{\text{Applicable Retail kWh Sales}}$$

**CILT**

The total payment of Contributions in Lieu of Taxes for the next twelve (12) forecasted months. The cost estimates shall be presented on a monthly basis and include all detail on the type of fuel forecasted to be consumed.

**Prior Period Reconciliation**

The under- or over-recovered funds for the first ten months of the current annual time period and the last two months of the prior annual time period. PREPA shall provide estimates of the reconciling balance with each proposed quarterly filing of the CILT.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

Applicable Retail kWh Sales

Energy sales to all classes of customers (except for the first block of RFR Tariff), including the net inflow (i.e. inflow – outflow) to grandfathered net metering customers and the total inflow to non-grandfathered net metering customers.

Annual Filing

PREPA shall make a filing for a proposed CILT factor before the end of the eleventh month of each annual time period with the Puerto Rico Energy Commission (CEPR) which will be proposed to go into effect with the first billing cycle of the first month of the annual time period. If a revised CILTA factor is not approved the previous years' CILTA factor shall remain in effect until a new factor is approved.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**SUBSIDIES, PUBLIC LIGHTING (MUNICIPAL) AND OTHER SUBVENTIONS  
HELP TO HUMANS SUBSIDY RIDER**

**DESIGNATION:**

SUBA-HH

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all tariffs except for the fixed block of Tariff RFR.

The Help to Humans Subsidy Adjustment (SUBA-HH) is a reconciling rate mechanism which recovers the cost of certain subsidies which PREPA is required to provide, required to be made by PREPA, on an annual basis. The SUBA-HH shall be applicable to all gross kWh consumed by customers served on all of PREPA's rates with the exceptions of the base usage contained in the Residential Fixed Rate.

The formula to calculate the SUBA-HH factor is:

$$SUBA - HH = \frac{(Subsidies + Prior Period Reconciliation)}{Applicable Retail kWh Sales}$$



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

Subsidies

Subsidies classified by the Puerto Rico Energy Commission (CEPR) as Help to Humans. As per the CEPR-AP-2015-0001 January 10, 2017 order, these subsidies are:

1. Credit for Consumption of Electrical Equipment Necessary to Preserve Life
2. Residential Service for Public Housing Projects Rate - RH3
3. Lifeline Residential Service Rate - LRS (Nutritional Assistance Program)
4. Residential Fixed Rate for Public Housing under Ownership of the Public Housing Administration (RFR)
5. Residential Fuel Subsidy
6. Public Lighting (Municipal)
7. Puerto Rico Energy Commission Assessment

Prior Period Reconciliation

The under- or over-recovered funds for the first ten months of the current annual time period and the last two months of the prior quarterly time period. PREPA shall provide estimates of the reconciling balance with each proposed quarterly filing of the SUBA-HH.

Applicable Retail kWh Sales

Energy sales to all classes of customers (except for the first block of RFR Tariff), including the net inflow (i.e. inflow – outflow) to grandfathered net metering customers and the total inflow to non-grandfathered net metering customers.

Annual Filing

PREPA shall make a filing for a proposed SUBA-HH factor before the end of the eleventh month of each annual time period with the Puerto Rico Energy Commission (CEPR) which will be proposed to go into effect with the first billing cycle of the first month of the annual time period. If a revised SUBA-HH factor is not approved the previous years' SUBA-HH factor shall remain in effect until a new factor is approved.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**SUBSIDIES, PUBLIC LIGHTING (MUNICIPAL) AND OTHER SUBVENTIONS  
NON HELP TO HUMANS SUBSIDY RIDER**

**DESIGNATION:**

SUBA-NHH

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all tariffs except for the fixed block of Tariff RFR.

The Help to Humans Subsidy Adjustment (SUBA-NHH) is a reconciling rate mechanism which recovers the cost of certain subsidies which PREPA is required to provide, required to be made by PREPA, on an annual basis. The SUBA-NHH shall be applicable to all gross kWh consumed by customers served on all of PREPA's rates with the exceptions of the base usage contained in the Residential Fixed Rate.

The formula to calculate the SUBA-NHH factor is:

$$SUBA - NHH = \frac{(Subsidies + Prior Period Reconciliation)}{Applicable Retail kWh Sales}$$



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

Subsidies

Subsidies classified by the Puerto Rico Energy Commission (CEPR) as Non Help to Humans. As per the CEPR-AP-2015-0001 January 10, 2017 order, these subsidies are:

1. Analog Rate to the Residential to Churches and Social Welfare Organizations
2. General Agricultural Service - GAS
3. Credit for Incentives to the Tourism Sector (Hotel Discount)
4. Residential Rate for Communal or Rural Aqueducts
5. Credit to Small Merchants in Urban Centers (Downtown 10% Subsidy)
6. Residential Rate to Common Areas of Residential Condominiums
7. Act 73-2008 Industrial Tax Credit
8. Irrigation District

Prior Period Reconciliation

The under- or over-recovered funds for the first ten months of the current annual time period and the last two months of the prior quarterly time period. PREPA shall provide estimates of the reconciling balance with each proposed quarterly filing of the SUBA-NHH.

Applicable Retail kWh Sales

Energy sales to all classes of customers (except for the first block of RFR Tariff), including the net inflow (i.e. inflow – outflow) to all net metering customers.

Annual Filing

PREPA shall make a filing for a proposed SUBA-NHH factor before the end of the eleventh month of each annual time period with the Puerto Rico Energy Commission (CEPR) which will be proposed to go into effect with the first billing cycle of the first month of the annual time period. If a revised SUBA-NHH factor is not approved the previous years' SUBA-NHH factor shall remain in effect until a new factor is approved.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**NET METERING CREDIT RIDER**

**DESIGNATION:**

NM

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all tariffs with metered output.

The Net Metering credit is calculated from the customer's bills as per the dispositions of Act 114-2007, as amended, Act 57-2014, as amended, Act 4-2016 and the Puerto Rico Energy Commission (CEPR) Final Resolution and Order. Customers with a Net Metering Agreement with PREPA will receive a monthly credit from the energy produced by their system and exported into PREPA's electrical system, up to a customer's monthly consumption in kWh, and subject to other limits as detailed in Act 114-2007, as amended, and the corresponding Regulations. The monthly credit for customers with a Net Metering Agreement will be effective at the beginning of the billing period after the installation or configuration of the appropriate meter. For each billing period, PREPA will meter the energy consumed by the customer (inflow) and the energy exported by the customer's system to PREPA's system (outflow).

Each Net-Metering customer shall pay for the energy supplied by PREPA (inflow) the full rate for its class, including the base rates, fuel charge, purchased power charge, CILT charge, full SUBA charge, and EE charge.

**GRANDFATHERING AND NON-GRANDFATHERING**

**Grandfathered customers**, defined as any customer who, on or before February 16, 2016, entered into a Net Metering agreement or is in the process of evaluating or developing a renewable energy project, shall be deemed to be grandfathered for purposes of the charges approved under the CEPR's Final Resolution and Order in case number CEPR-AP-2015-0001.

After the approval of Act 4-2016, the Grandfathering clause shall apply to those customers who submitted their application for interconnection prior the date in which the CEPR issues a resolution approving the calculation of the rates made by PREPA in compliance with the CEPR's Final Resolution and Order. The grandfathered customers will receive a credit for the energy exported (outflow) as explained below.

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ELECTRIC SERVICE RATES AND RIDERS

A separate Grandfathering cut-off date will be established for purposes of the Transition Charge. Pursuant to the Puerto Rico Energy Commission's Restructuring order in Case No. CEPR-AP-2016-0001, the grandfathering cut-off date for purposes of the Transition Charge shall be the date in which the Restructuring Bonds are issued.

1. Each billing period, in which the energy exported by the customer is lower or equal than the energy supplied by PREPA, the credit for the energy exported shall be the sum of: customer's base rate energy charge, fuel charge, purchased power charge, full SUBA charge, CILT, and Energy Efficiency Charge.
2. If during a billing period, the energy exported by the customer is higher than the energy supplied by PREPA, the credit will be limited to the energy supplied by PREPA in that billing period. The excess exported energy will be accumulated to be used in the next billing period.
3. If any excess energy accumulated remains after the end of the current fiscal year, it will be credited as provided by the law, and to the corresponding Regulations, currently as explained below.
  - a. Seventy-five (75) percent of the excess energy accumulated shall be purchased by PREPA at a rate of 10 cents per kilowatt-hour ( $\text{¢}/\text{kWh}$ ) or the resulting quantity in  $\text{¢}/\text{kWh}$ , once the fuel and purchased power charges are subtracted from the total  $\text{¢}/\text{kWh}$ , whichever is the highest; and
  - b. the remaining twenty-five (25) percent shall be granted to PREPA to be distributed in credit or reductions in the electricity bills of public schools.

**Non-Grandfathered customer**, defined as, pursuant to Section 29 of Act 4-2016, any customer who applies for interconnection after May 10, 2017 or who applied for interconnection between February 16, 2017 and May 10, 2017 but fails to comply with the requirements set forth in Section 4 of Act 114-2007, as amended by Section 29 of Act 4-2016 (regarding payment of deposit) or increases the capacity of their renewable energy systems in excess of 20% of its original capacity, shall be treated as non-grandfathered net metering customer for purposes of the application of the approved charges. The non-grandfathered customers will receive a credit for the energy exported (outflow) as explained below.

1. Each billing period, in which the energy exported by the customer is lower or equal than the energy supplied by PREPA, the credit for the energy exported shall be the sum of: customer's base rate energy charge, fuel charge, purchased power charge; and a SUBA partial charge (associated to the Non-Help to Humans Subsidies, as defined by the PREC: Credits For Incentives To Tourism Sector, Downtown Commerce Subsidy, Church And Social Welfare Organization, Credits For Rural Aqueducts, General Agricultural Service And Aqueduct Pumps Operated By Rural



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ELECTRIC SERVICE RATES AND RIDERS

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Communities, Common Areas For Condominiums, Irrigation District, and the Income Tax Credit).

2. If during a billing period, the energy exported by the customer is higher than the energy supplied by PREPA, the credit will be limited to the energy supplied by PREPA in that billing period. The excess exported energy will be accumulated to be used in the next billing period.
3. If any excess energy accumulated remains after the end of the current fiscal year, it will be credited as provided by the law, and to the corresponding Regulations, currently as explained below.
  - a. Seventy-five (75) percent of the excess energy accumulated shall be purchased by PREPA at a rate of 10 cents per kilowatt-hour ( $\text{¢}/\text{kWh}$ ) or the resulting quantity in  $\text{¢}/\text{kWh}$ , once the fuel and purchased power charges are subtracted from the total  $\text{¢}/\text{kWh}$ , whichever is the highest; and
  - b. the remaining twenty-five (25) percent shall be granted to PREPA to be distributed in credit or reductions in the electricity bills of public schools.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**LOAD RETENTION RIDER**

**DESIGNATION:**

LR

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all tariffs.

The Load Retention Rider will be available to any customer who can document that an option exists for them to reduce or eliminate electric consumption from PREPA either by relocation or the installation of an alternative energy source. The intention of this rider is to provide a discount when necessary to retain load that would otherwise be lost, provided the discounted rate generated revenues exceeding the incremental cost of serving the load. The discounts shall be no greater than necessary, shall not encourage wasteful consumption, and shall not pose an obstacle to the development of economical renewable energy.

Estimate of Discount

PREPA will perform a study and estimate whether the discounted rate generates revenues that exceed the incremental cost of serving the customer's load. A discount will only be offered in cases where the discounted cost to serve the customer exceeds PREPA marginal cost of service.

The estimated discount will be applied to the applicable PREPA rate which the customer will receive service.

Review and Approval by the Puerto Rico Energy Commission

When an agreement is completed by PREPA and the customer a filing shall be made before the Puerto Rico Energy Commission (CEPR). Any customer specific information shall be confidential. The Puerto Rico Energy Commission shall have sixty (60) days to rule on the application and either approve or disapprove the agreement. If the contract is approved PREPA shall execute the agreement.



PUERTO RICO ELECTRIC POWER AUTHORITY

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ELECTRIC SERVICE RATES AND RIDERS

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Recovery of Discounts

PREPA shall recover any discount approved by the Puerto Rico Energy Commission (CEPR) in the SUBA clause.

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ELECTRIC SERVICE RATES AND RIDERS

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**ENERGY EFFICIENCY RIDER**

**DESIGNATION:**

EE

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all tariffs except for the fixed block of Tariff RFR.

The Energy Efficiency Rider is a mechanism which provides for the cost recovery of all expenses associated with the implementation and administration of energy efficiency programs operated by or on behalf of PREPA. The costs of the program shall be recovered through a per kilowatt-hour (kWh) charge for all customers, the Energy Efficiency Charge (EEC).

The formula to calculate the EEC is:

$$EEC = \frac{(Total\ Cost\ of\ EE\ Programs + Prior\ Period\ Reconciliation)}{Applicable\ Retail\ kWh\ Sales}$$

**Total Cost of EE Programs**

The total cost of energy efficiency programs administered by or on behalf of PREPA which are approved by the Puerto Rico Energy Commission.

**Prior Period Reconciliation**

The Prior Period Reconciliation is the under- or over-recovered funds for the first ten months of the current annual time period and the last two months of the prior quarterly time period. PREPA shall provide estimates of the reconciling balance with each proposed quarterly filing of the EEC.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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Applicable Retail kWh Sales

Energy sales to all classes of customers (except for the first block of RFR Tariff), including the net inflow (i.e. inflow – outflow) to grandfathered net metering customers and the total inflow to non-grandfathered net metering customers.

Annual Filing

PREPA shall make a filing for a proposed EEC factor before the end of the eleventh month of each annual time period with the CEPR which will be proposed to go into effect with the first billing cycle of the first month of the annual time period. If a revised EEC factor is not approved the previous years' EEC factor shall remain in effect until a new factor is approved.



PUERTO RICO ELECTRIC POWER AUTHORITY

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ELECTRIC SERVICE RATES AND RIDERS

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**Securitization Charge Rider**

**PLACEHOLDER FOR SECURITIZATION CHARGE**

Date Filed: \_\_\_\_\_  
Issued by: \_\_\_\_\_  
Effective Date: \_\_\_\_\_

Original Sheet No. 68  
Replacing: None



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

**Payments to Qualifying Facilities Rider**

**DESIGNATION:**

QF

**AVAILABLE:**

Everywhere in Puerto Rico.

**APPLICABLE:**

This rider shall apply to all customers who operate thermal electric generation which qualifies as a "Qualifying Facility" under the Public Utility Regulatory and Policy Act of 1978. Further, the facility must meet the requirements of 18 C.F.R. §§ [292.203\(b\)](#) and [292.205](#) for operation, efficiency and use of energy output, and be certified as a QF pursuant to [18 C.F.R. § 292.207](#)

**INTERCONNECTION REQUIREMENTS**

The Puerto Rico Electric Power Authority (PREPA) shall require an interconnection agreement for all customers receiving compensation under this rider. Copies of standard interconnection agreements are available upon request from PREPA.

Customer shall install all appropriate metering facilities to record all flows of energy necessary to bill and pay in accordance with the charges and payments contained in this rider and the customer's applicable rate schedule.

**BILLING PERIOD CREDITS:**

A billing period credit will be paid to customer for the entire output of the Qualifying Facility on A kWh basis. Net Metering is unavailable to thermal Qualifying Facilities.

Voltage Level	Compensation for Firm Generation	Compensation for Non-Firm Generation
Transmission	\$0.0638	\$0.0583
Primary	\$0.0755	\$0.0613
Secondary	\$0.0767	\$0.0623

Firm Service is defined as output provided by the Qualifying Facility to PREPA which PREPA could reasonably reply upon to serve native load. All other output would be considered non-firm.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**LIFE PRESERVING EQUIPMENT DISCOUNT RIDER**

**DESIGNATION:**

LP

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all residential tariffs except for the fixed block of Tariff RFR. Ordained by Act 3 of December 20, 1985, Act 164-1996, Act 152-1998, Act 79-2007, and Act 22-2016.

Discount Provided

Customers served under Tariffs RFR, RH3 and LRS shall receive a credit equivalent to the cost of the electrical consumption associated with the health related equipment necessary to preserve life.

Customers served under Tariffs GRS shall receive a credit equivalent to fifty (50) percent of the cost of the electrical consumption associated with the health-related equipment necessary to preserve life.



PUERTO RICO ELECTRIC POWER AUTHORITY

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**CHURCH AND SOCIAL WELFARE ORGANIZATION DISCOUNT RIDER**

**DESIGNATION:**

CSW

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all places of worship and other public well-being organizations. Ordained by Act 61-1992, Act 182-2002, and Act 22-2016.

Discount Provided

The General Residential Service (GRS) Rate, instead of the applicable commercial rate, is available to qualifying Churches and other public well-being organizations.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**CREDITS FOR INCENTIVES TO TOURISM SECTOR RIDER**

**DESIGNATION:**

CIT

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

To all qualifying hotels, state-owned hotels, or boarding houses. Ordained by Act 101 of July 9, 1985, Act 266-2002, Act 232-2003, and Act 22-2016.

Discount Provided

A discount of up to an 11% credit of the total monthly energy bill.

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Replacing: None



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**CREDITS FOR RURAL AQUEDUCTS RIDER**

**DESIGNATION:**

CRA

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

Available to rural aqueducts that do not belong to Puerto Rico Aqueduct and Sewer Authority (PRASA), ordained by Act 4-2004.

Discount Provided

Qualifying facilities will be billed at the Residential GRS tariff.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**COMMON AREAS FOR CONDOMINIUMS RIDER**

**DESIGNATION:**

CAC

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rider is available to the common areas of condominium buildings which are separately metered, as established by Act 199-2008.

Discount Provided

The General Residential Service (GRS) Rate, instead of the applicable commercial rate, is available to qualifying common areas in condominiums destined to residential purposes.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**DOWNTOWN COMMERCE SUBSIDY RIDER**

**DESIGNATION:**

DCS

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rider is available to small commerce operating in downtown areas, as defined by Act 169-2004.

Discount Provided

A 10% credit to the base rate of the total monthly energy bill is given to small commerce in the downtown area, up to a maximum of \$40, as established by law.

Date Filed: \_\_\_\_\_  
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Replacing: None



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**INCOME TAX CREDIT RIDER**

**DESIGNATION:**

ITC

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rider is available to industries as established by Act 73-2008 and Act 22-2016, who receive an income tax credit, which may be used to pay electricity consumption.

Discount Provided

Credit to the electricity bill.



PUERTO RICO ELECTRIC POWER AUTHORITY

ELECTRIC SERVICE RATES AND RIDERS

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**DIRECT DEBIT RIDER**

**DESIGNATION:**

DD

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rider is available to residential customers who elect to establish service where funds are automatically withdrawn for the customer's account for their monthly electric bill.

Discount Provided

The customer will receive a ten (10) percent discount for the base rate portion of their bill.



PUERTO RICO ELECTRIC POWER AUTHORITY

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**TRUE-UP OF PROVISIONAL RATE INCREASE**

**DESIGNATION:**

TUP

**AVAILABLE:**

Everywhere in Puerto Rico

**APPLICABLE:**

This rider is effective when PREPA has been authorized to implement a provisional rate increase which has under or over-recovered the final authorized rate increase.

Adjustment Factor

Customers will receive a refund factor based upon a per kilowatt-hour calculation. Upon termination of the Adjustment Factor PREPA shall provide a final reconciliation to the CEPR which details any outstanding under- or over-recovery of the Provisional Rate.

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

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

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

**SUBJECT:** Ruling on PREPA's Notice of Compliance Filing in Response to the Commission's May 10 Order.

**RESOLUTION AND ORDER**

On April 25, 2017, PREPA filed its *Notice of Compliance Filing Pursuant to Rate Case Final Orders* ("April 25 Compliance Filing"). The April 25 Compliance Filing included the following information: (i) a new calculation of the revenue requirement pursuant to the Commission's directives and determinations;<sup>1</sup> (ii) a new calculation of PREPA's proposed cost of service study to, according to PREPA, "reflect changes in the new revenue requirement";<sup>2</sup> (iii) a revised tariff sheet with updated charges, riders and tariff information and descriptions;<sup>3</sup> (iv) a calculation of bill impact and rate increase for each customer tariff;<sup>4</sup> (v) a description of the reconciliation mechanism for transitioning to new fuel, purchased power, Contribution In Lieu of Taxes ("CILT") and Subsidies riders;<sup>5</sup> and (vi) a calculation of the reconciliation of the permanent rate with the provisional (temporary) rate and corresponding customer credits.<sup>6</sup>

PREPA also notified the Commission of pending issues which PREPA would address through separate filings. These include: (i) proposed language to be included in each customer's bill providing an explanation of the approved rate increase; (ii) the effective date in which PREPA's new rate will enter into effect; and (iii) the implementation of the yearly budget review and rate adjustment procedure.

On May 10, 2017, the Commission issued a "Resolution and Order on PREPA's Compliance Filing" ("May 10 Resolution and Order") in which it accepted PREPA's April 25 Compliance Filing and authorized PREPA to implement—with the exception of specific

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<sup>1</sup> Compliance Filing Exhibit A.

<sup>2</sup> Compliance Filing at 2; Compliance Filing Exhibit B.

<sup>3</sup> Compliance Filing Exhibit C.

<sup>4</sup> Compliance Filing Exhibit D.

<sup>5</sup> Compliance Filing Exhibit E.

<sup>6</sup> Compliance Filing Exhibit F.

tariffs, as discussed below—the Commission approved permanent rate, subject to several conditions, requirements and notices. Specifically, the Commission ordered PREPA to amend the description of the grandfathering cut-off date for the Transition Charge and the description and definition of non-grandfathered net metering customers, provided in the description of the net metering credit rider contained in Exhibit C of the April 25 Compliance Filing. The Commission also ordered PREPA to amend several provisions related to specific riders.<sup>7</sup> Finally, the Commission required PREPA to file a revised Exhibit C incorporating the amendments established by the May 10 Resolution and Order, and a redlined version of such Exhibit C showing all changes made by PREPA.

Furthermore, the Commission did not authorize PREPA to implement the Public Lighting General (“PLG”) tariff, the Payments to Qualifying Facilities Rider (“QF”) and the Cable TV Power Supplies (“CATV”) tariffs given the discrepancies and inconsistencies between the information contained in the Tariff Book (Exhibit C of the April 25 Compliance Filing), the workpapers filed in support of the April 25 Compliance Filing and the Commission’s directives, as set forth in the Commission’s Final Resolution and Order of January 10, 2017 (“January 10 Order”). In order to reconcile the referenced discrepancies and inconsistencies, the Commission held a Technical Conference on May 12, 2017 at 10:00 a.m.

On May 19, 2017, PREPA filed a *Notice of Compliance Filing in Response to the Commission’s May 10 Order* (“May 24 Compliance Filing”), while the attachments, supporting documents and workpapers were filed on May 24, 2017.<sup>8</sup> The May 24 Compliance Filing contained the following documents: (i) Exhibit G to the Compliance Filing (containing the workpapers for the components of the Public Lighting General (“PLG”) and the Cable TV Power Supplies (“CATV”) tariffs); (ii) a Revised Exhibit C to the Compliance Filing; and (iii) a redlined version of the Exhibit C (containing all changes made by PREPA). In its motion, PREPA described the methodology to calculate all PLG and CATV tariffs, as well as the source of the Payments to Qualifying Facilities Rider (“QF Rider”).

Although the increases in the components of the PLG, CATV and other unmetered tariffs were not on an equal percentage basis, as stated in the January 10 Order,<sup>9</sup> the methodology for calculating such increases, as described in the May 24 Compliance Filing,<sup>10</sup> is consistent with the mandate that PREPA should allocate the allowed revenue increase in

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<sup>7</sup> Particularly, the Commission ordered PREPA to modify the Fuel Charge Adjustment Rider (“FCA”), the Purchased Power Charge Adjustment Riders (“PPCA”), the Contribution in Lieu of Taxes Cost Adjustment Rider (“CILTA”), the Subsidies, Public Lighting (Municipal) and Other Subventions Rider (“SUBA”) and the Energy Efficiency Rider (“EE”). See May 10 Resolution and Order at 4-6.

<sup>8</sup> Since PREPA filed the attachments, supporting documents and workpapers on May 24, 2017, the Commission will consider this date as the filing day.

<sup>9</sup> Final Resolution and Order, Case No. CEPR-AP-2015-0001, ¶ 369.

<sup>10</sup> May 24 Compliance Filing, at 2-5.

an equal cent-per-kWh basis, except for the Power Producers Connected at PREPA's Bus Bar (PPBB) tariff.<sup>11</sup> Therefore, we determine that the PLG and CATV tariffs, as presented in the Revised Exhibit C, meet the requirements of the January 10 Order. Similarly, after reviewing the May 24 Compliance Filing, the Commission determines that the calculation of the Billing Period Credits contained in the QF Rider is consistent with the provisions of the Commission's Final Resolution of March 8, 2017.<sup>12</sup>

In light of the above, the Commission **ACCEPTS** PREPA's May 24 Compliance Filing and **AUTHORIZES** PREPA to implement the Commission-approved permanent rate, as detailed in its Revised Exhibit C. All conditions, requirements and notices contained in the May 10 Resolution and Order not specifically addressed in this Resolution and Order remain in effect.

PREPA shall implement its new permanent rate, and begin crediting customer's accounts pursuant to the approved mechanism for reconciling the permanent rate with the provisional rate, **no later than July 1, 2017**.

PREPA shall also provide the draft language containing an explanation of the permanent rate increase to be included in each customer's bill **no later than June 15, 2017**.

The Commission reiterates that, while it is accepting PREPA's May 24 Compliance Filing and authorizing PREPA to implement the rates as calculated therein, such acceptance **SHALL NOT** be construed as an acceptance of the adequacy or correctness of the Cost of Service Study ("COSS") filed as Exhibit B of the April 25 Compliance Filing. The Commission's Final Order details the findings and determinations made with regards to the COSS filed by PREPA. The Commission has since initiated a proceeding aimed at addressing many of the findings and deficiencies identified by the Commission with regards to PREPA's COSS.<sup>13</sup>

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

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<sup>11</sup> Final Resolution and Order, *supra*, ¶¶ 70-73.

<sup>12</sup> Final Resolution, Case No. CEPR-AP-2015-0001, March 8, 2017, at 9.

<sup>13</sup> See In Re: Cost Allocation, Rate Design, and Related Issues For The Puerto Rico Electric Power Authority, Case No. CEPR-IN-2017-0001.



Be it notified and published.

Angel R. Rivera de la Cruz  
Associate Commissioner

José H. Román Morales  
Associate Commissioner  
Interim Chairman

## CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Commission has so agreed on May 31, 2017 and on this date a copy of this Resolution and Order regarding the Case No. CEPR-AP-2015-0001 was notified by electronic mail to the following: j-morales@aeep.com, n-vazquez@aeep.com, n-ayala@aeep.com, c-aquino@aeep.com, codiot@oipc.pr.gov, jperez@oipc.pr.gov, attystgo@yahoo.com, maribel.cruz@acueductospr.com, pga@caribe.net, jfeliciano@constructorespr.net, nydinmarie.watlington@cemex.com, eirizarry@ccdlawpr.com, epenergypr@gmail.com, aconer.pr@gmail.com, glenn.rippie@r3law.com, john.ratnaswamy@r3law.com, michael.guerra@r3law.com, pnieves@vnblegal.com, abogados@fuerteslaw.com, jorgehernandez@escopr.net, ecandelaria@camarapr.net, agraitfe@agraitlawpr.com, francisco.rullan@aae.pr.gov, mgrpcorp@gmail.com, manuelgabrielfernandez@gmail.com, mmuntanerlaw@gmail.com, licenciadamasferrer@gmail.com and wilma.lopez@aae.pr.gov. I also certify that today I have proceeded with the filing of the Resolution and Order 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, May 31 2017.

A blue ink signature of the name "M. Cintrón" is written over a horizontal line. Below the signature, the full name "María del Mar Cintrón Alvarado" is printed in a smaller, black, sans-serif font.

M. Cintrón  
María del Mar Cintrón Alvarado