

**GOVERNMENT OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD
PUERTO RICO ENERGY BUREAU**



IN RE: PUERTO RICO ELECTRIC POWER
AUTHORITY RATE REVIEW

CASE NO.: CEPR-AP-2015-0001; NEPR-AP-
2018-0003

SUBJECT: PREPA's Informative Motion
Providing Additional Information and
Updates Regarding a Significant
Information Technology Issue Relating to
Implementation of Net Metering Rates.

RESOLUTION AND ORDER

On March 14, 2019 the Puerto Rico Electric Power Authority ("PREPA") filed before the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") a document titled *PREPA's Informative Motion Providing Additional Information and Updates Regarding a Significant Information Technology Issue Relating to Implementation of Net Metering Rates*, which stated, in summary, that as part of the permanent rates implementation process, a significant configuration issue was discovered regarding the CATV and the net metering rates¹. According to PREPA, this unforeseen problem posed the risk of net metering customers being billed incorrectly, until the applicable rate configurations are completed and tested.² To allow full development of the correct rate configuration and prudent reasonable testing to avoid the risk of incorrect billing, PREPA proposed an alternative rate implementation date of May 1, 2019.³

On March 15, 2019, the Energy Bureau held the fourth Compliance Monitoring Hearing, pursuant to the Resolution and Order of November 27, 2018 ("November 27 Resolution and Order"), in the instant case. During the Compliance Monitoring Hearing PREPA stated, among other things, that in the last month it had encountered several technical problems regarding the configuration of the Net Metering rates and the CATV rate. Although PREPA stated that the CATV rate configuration problem had been resolved, it will require additional time to complete the configuration and testing of the remaining six Net Metering rates. PREPA expressed that the final configuration and testing will be completed on April 15, 2019. For this reason, PREPA requested to delay the implementation of the permanent rate until May 1, 2019. PREPA also stated that implementing the permanent rates on April 1, 2019 without properly testing the remaining Net Metering rates will have

¹ See, *PREPA's Informative Motion Providing Additional Information and Updates Regarding a Significant Information Technology Issue Relating to implementation of Net Metering Rates*, CEPR-AP-2015-0001, March 14, 2019, page 2 ¶ 3

² *Id.*, ¶ 7

³ *Id.*, page 3 ¶ 11

the risk of incorrect billing and, in the worst case, a billing system failure that could result in customers not being billed at all.



Although the Energy Bureau stated in its November 27 Resolution and Order that the April 1, 2019 implementation date was final and inalterable, the Energy Bureau **DETERMINES** that the Net Metering rate configuration problem is an unforeseeable event that warrants an extension of such date, based on the risks associated with implementing the permanent rates without proper testing of the remaining Net Metering rates. The Energy Bureau recognizes that PREPA has been working diligently to implement the permanent rates as scheduled. We also recognize the fact that PREPA has kept the Energy Bureau informed in a timely manner of the problems it had encountered with such implementation. Accordingly, the Energy Bureau **GRANTS** PREPA's request to extend the implementation date of the permanent rate to May 1, 2019.

The Energy Bureau **ORDERS** PREPA to publish a public announcement in two (2) newspapers of general circulation regarding the extension of the permanent rate implementation date. PREPA is also **ORDERED** to publish such announcement in a predominant place of its website, and in its social media accounts.

PREPA is **ORDERED** to attend a Compliance Monitoring Hearing to be held at 10:00 a.m. on April 23, 2019, at the Energy Bureau's Hearing Room located at World Plaza Building, 268 Muñoz Rivera Ave., Eighth Floor, San Juan, P.R.

Finally, PREPA is **ORDERED** to, within five (5) days of the notification of this Resolution and Order, file, for Energy Bureau's review and approval, updated calculations for the Fuel, Purchased Power, and subsidies factors to be implemented on May 1, 2019. Such factors will cover the period of May 1, 2019 to June 30, 2019. In addition, PREPA must file the associated working papers. All electronic documents must be filed in native form with formulae intact.

The Energy Bureau **WARNS** PREPA that noncompliance with Act 57-2014⁴ and the Energy Bureau's regulations and orders is sufficient cause for imposing fines and other administrative sanctions, under Act 57-2014 and the applicable regulations.


Be it notified and published.


Ángel R. Rivera de la Cruz
Associate Commissioner



Edison Avilés Deliz
Chairman


Lillian Mateo Santos
Associate Commissioner

⁴ Known as *The Puerto Rico Energy Transformation and RELIEF Act*, as amended.



Ferdinand A. Ramos Soegaard
Associate Commissioner



José J. Palou Morales
Associate Commissioner



CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on March 21, 2019. I also certify that on March 25, 2019 a copy of this Resolution and Order was notified by electronic mail to the following: astrid.rodriguez@prepa.com, jorge.ruiz@prepa.com, n-vazquez@prepa.com, n-ayala@prepa.com, c-aquino@prepa.com, j-morales@prepa.com, hriviera@oipc.pr.gov, maribel.cruz@acueductospr.com, pga@caribe.net, jfeliciano@constructorespr.net, nydinmarie.watlington@cemex.com, eenergypr@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, March 25, 2019, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau 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 March 25, 2019.


María del Mar Cintrón Alvarado
Clerk