

**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: Requirement of Updated
documents and Technical Conference Call
Schedule.

RESOLUTION AND ORDER

On April 16, 2019, the Puerto Rico Energy Bureau of the Public Service Regulatory Board ("Energy Bureau") held a Technical Conference Call in the instant case with the purpose of further discussing several documents pertaining to the fuel, purchased power and subsidies riders to be implemented on May 1, 2019 as part of the Puerto Rico Electric Power Authority's ("PREPA") permanent rate.

On September 2019, Hurricanes Irma and Maria affected PREPA's transmission and distribution system, including public lighting. According to the information PREPA provided in its March 20, 2019 compliance filing,¹ the total amount of public luminaries contained in PREPA's T&D Inventory is 477,103.² PREPA reported that an estimate of 158,029 luminaries were affected by Hurricanes Irma and Maria³ and stated that 76,250 luminaries out of the 158,029 have been repaired.⁴ Therefore, upon evaluating this information, it can be concluded that about eighty three percent (83%) of the public luminaries are currently in service. Accordingly, the Energy Bureau **ORDERS** PREPA to submit the following document:

- Revised Excel spreadsheet *Subsidios 2019 (Modificado).xlsx*, "Alumbrado" Tab, as filed in April 15, 2019. PREPA must change the percentage of public lighting in service from 85% to 83%. Specifically, PREPA must modify cells C82 and D82 of the referenced document to reflect this change.

¹ See ESTIMADO LUMINARIAS AFECTADAS POR MUNICIPIO 18 marzo 2019.xlsx, March 20, 2019, Case No. CEPR-AP-2015-0001.

² This quantity represents the total public luminaries for each PREPA Region, as contained in the ESTIMADO LUMINARIAS AFECTADAS POR MUNICIPIO 18 marzo 2019.xlsx file.

³ See Tab "Total", ESTIMADO LUMINARIAS AFECTADAS POR MUNICIPIO 18 marzo 2019.xlsx, March 20, 2019, Case No. CEPR-AP-2015-0001.

⁴ *Id.*

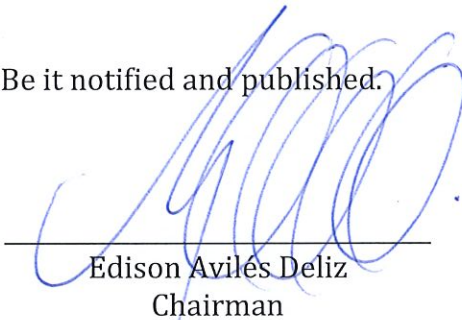
Section 2.04 of Regulation 8818⁵ establishes the requirements to modify the Contribution in Lieu of Taxes ("CILT") cap established pursuant to Section 22 of Act 83.⁶ According to the provisions of Section 2.04 of Regulation 8828, in order to modify the CILT cap three (3) requirements have to be met: (1) that the installation is of new construction; (2) that the installation is certified as efficient by the Energy Public Policy Program and (3) that the installation meets the definition of a non-profit entity, as defined in Regulation 8818.

Both in the April 16, 2019 and the April 12, 2019 Technical Conference Calls, PREPA stated that it had not received the certifications confirming the efficiency of new municipal installations, as required by Section 2.04 of Regulation 8818. Therefore, at this moment the Energy Bureau cannot determine that the installations associated with the consumption detailed on Column F of the "TOP Calculations" Tab, of the file *Cálculo Tope CELI según reglamento aprobado por Comisión (editado marzo 19 2017).xlsx*, corresponding to new service agreements between 2014 and 2016 meet the requirements of Section 2.04 of Regulation 8818. For this reason, the CILT cap cannot be modified at this time. Based on the foregoing, the Energy Bureau **ORDERS** PREPA to submit the following document.

- Revised Excel spreadsheet *Cálculo Tope CELI según reglamento aprobado por Comisión (editado marzo 19 2017).xlsx*, "TOP Calculations" Tab, as filed in April 15, 2019. PREPA must remove the quantities in the "New SA's between 07/2014 and 06/2016" column. Additionally, Excel spreadsheets *Subsidios 2019 (Modificado).xlsx* and *Calculo costo del CELI 2019 (Modificado).xlsx* must be revised to reflect the final CILT estimated cost calculations.

PREPA must file the documents required above **on or before April 17, 2019 at 12:00 p.m.**

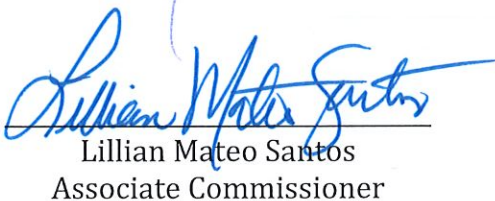
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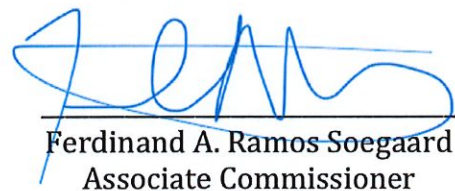
Edison Avilés Deliz
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Angel R. Rivera de la Cruz
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Ferdinand A. Ramos Soegaard
Associate Commissioner

⁵ *Enmienda al Reglamento Núm. 8653, Reglamento sobre la Contribución en Lugar de Impuestos (CELI)*, Regulation 8818, September 27, 2016.

⁶ Known as the *Puerto Rico Electric Power Authority Act*, as amended.

CERTIFICATION



I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on April 16, 2019. I also certify that on this date 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@aeepr.com, n-ayala@aeepr.com, c-aquino@aeepr.com, j-morales@prepa.com, hannia.rivera@oipc.com, maribel.cruz@acueductospr.com, pga@caribe.net, jfeliciano@constructorespr.net, nydinmarie.watlington@cemex.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 y wilma.lopez@aae.pr.gov. I also certify that today, April 16, 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 April 16, 2019.


Wanda I. Cordero Morales
Interim Clerk