

19 MAY 29 P2:22

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

IN RE: THE PUERTO RICO ELECTRIC  
POWER AUTHORITY

INITIAL RATE REVIEW

NO. CEPR-AP-2015-0001

**SUBJECT:** PREPA's Motion for an  
Extension of Time and for an Expedited  
Technical Conference Call

**PREPA'S MOTION FOR AN EXTENSION OF TIME AND FOR  
AN EXPEDITED TECHNICAL CONFERENCE CALL**

The Puerto Rico Electric Power Authority ("PREPA") hereby respectfully submits to the Puerto Rico Energy Bureau (the "Energy Bureau") this Motion for an Extension of Time and for an Expedited Technical Conference Call.

The Motion has two components. First, PREPA seeks a five business day extension, i.e., to June 5, 2019, of the current May 29, 2019, due date for the materials required by the Energy Bureau's Resolution and Order dated May 9, 2019 (issued on May 10, 2019).


Second, PREPA seeks a Technical Conference Call before the Energy Bureau at the Bureau's earliest convenience after the submittal of the compliance filing.

In considering each of those requests, PREPA respectfully requests that the Energy Bureau consider the facts discussed in Sections I and II of this Motion. PREPA also requests that the Energy Bureau, in setting a new due date for the compliance filing and in setting a Technical Conference Call date, avoid schedule conflicts with the May 31, 2019, due date for PREPA's revised Integrated Resource Plan ("IRP") under the Energy Bureau's May 9, 2019, Resolution and Order in case no. CEPR-AP-2018-0001.

## **I. The Materials Currently Due on May 29<sup>th</sup>**

In brief, the Energy Bureau's May 9<sup>th</sup> order in the instant docket calls for PREPA to submit extensive materials on four important and complicated subjects by May 29<sup>th</sup>:

1. The establishment of the factors to be incorporated in PREPA customer bills, to be applied beginning as of July 1, 2019, as applicable, based on the combination of:
  - a. The reconciliation of PREPA's provisional rates that were in effect from August 1, 2016, through and including April 30, 2019, with the "permanent" rates approved in this docket that went into effect on May 1, 2019; and<sup>1</sup>
  - b. The reconciliation of PREPA's fuel and purchase power adjustments backlog for September 2017 through and including May 2018, taking into account any applicable reimbursements by the Federal Emergency Management Agency ("FEMA"), and subject to any later FEMA reconciliations of such reimbursements;<sup>2</sup>
2. The establishment of the factors to be incorporated in PREPA customer bills, to be applied beginning as of July 1, 2019, as applicable, for the Contribution in Lieu of Taxes ("CILT") rider, based on the reconciliation of CILT for the period of July 1, 2016, through and including April 30, 2019;

 <sup>1</sup> The provisional and permanent rates reconciliation is provided for by Act 57-2014, § 6A(f), and Act 83-1941, § 6.25(f), as amended; the Energy Bureau's Regulation No. 8720, § 2.02(C) and additional language; and certain Energy Bureau orders issued in this docket.

<sup>2</sup> The Energy Bureau's Resolution and Order of September 28, 2018, combined the provisional and permanent rates reconciliation with the fuel and purchased power adjustments backlog reconciliation.

3. The establishment of the factors to be incorporated in PREPA customer bills, to be applied beginning as of July 1, 2019, as applicable, for the Subsidies rider, based on the reconciliation of Subsidies for the period of July 1, 2016, through and including April 30, 2019; and
4. The establishment of the factors to be incorporated in PREPA customer bills, to be applied beginning as of July 1, 2019, as applicable, based on the fuel and purchased power reconciliations for March and April 2019.<sup>3</sup>

PREPA has had the intention, and has worked diligently, to submit on time the compliance filing, but some concerns arose during the evaluation and analysis, which result in the need to seek a short extension of time for the compliance filing; mainly for the two following reasons.

First, PREPA, in working on preparing and finalizing the required material regarding the first subject, the provisional rates reconciliation, recently has reached the conclusion that the methodology that previously has been contemplated and discussed by PREPA and the Energy Bureau for the calculation of that reconciliation may unintentionally lead to PREPA being required to credit a large aggregate amount to customers' bills when the actual fact is that PREPA experienced a significant revenue shortfall during the applicable period.

Second, PREPA, in working on preparing and finalizing the reconciliations for the Subsidies Rider and the fuel and purchased power costs, including March and April 2019, has identified additional complications due to the Energy Bureau's recent directives

---

<sup>3</sup> The Energy Bureau's Resolution and Order of April 25, 2019, determined that the application of these adjustments should not begin on May 1, 2019, and instead should begin on July 1, 2019.



regarding the rates related to public lighting, resulting in the shifting of additional amounts to be recovered to other customers.

PREPA is diligently preparing materials on these subjects for the Energy Bureau's review, but PREPA believes that it will take at least five additional business days to complete this work so that the Energy Bureau may have the benefit of a thorough and accurate presentation.

The request for additional time relates to factors that will go into effect beginning on July 1, 2019. So, the request for additional time should not affect the implementation date.

Under these circumstances, PREPA believes that the requested extension of time is warranted and should be granted.

## **II. The Request for an Expedited Technical Conference Call**

PREPA also respectfully submits that an expedited Technical Conference Call could be highly useful in these circumstances. PREPA's compliance filing will be extensive and highly detailed. In addition, PREPA's compliance filing will involve new concerns and points about the provisional rates reconciliation and the effects of the public lighting changes on certain reconciliations. A Technical Conference Call would allow PREPA and the Energy Bureau to promptly, and efficiently discuss those subjects, and possible approaches to resolving them, in just and reasonable manners and so that the resulting factors can go into effect on July 1, 2019.

**WHEREFORE**, the Puerto Rico Electric Power Authority respectfully requests that the Puerto Rico Energy Bureau grant this Motion, extend the due date for the reconciliations compliance filing, set an expedited Technical Conference Call, and, in scheduling those items, avoid schedule conflicts with the May 31, 2019, due date of PREPA's revised IRP.

RESPECTFULLY SUBMITTED,

IN SAN JUAN, PUERTO RICO, THIS 29<sup>th</sup> DAY OF MAY, 2019

**PUERTO RICO ELECTRIC POWER AUTHORITY**

**I HEREBY CERTIFY** that the foregoing Motion was, on this day, filed at the office of the Clerk of the Puerto Rico Energy Bureau, and, further, that the Motion was sent via email to the Puerto Rico Energy Bureau through email to [secretaria@energia.pr.gov](mailto:secretaria@energia.pr.gov) and [wcardero@energia.pr.gov](mailto:wcardero@energia.pr.gov) and to the office of the Energy Bureau's internal legal counsel via email to [legal@energia.pr.gov](mailto:legal@energia.pr.gov) and [sugarte@energia.pr.gov](mailto:sugarte@energia.pr.gov).



---

Nitza D. Vázquez Rodríguez  
TSPR No. 9311  
Senior Attorney  
Puerto Rico Electric Power Authority  
P.O. Box 363928  
San Juan, Puerto Rico 00936-3928  
Tel. 787-521-4499  
Email: [nitza-vazquez@prepa.com](mailto:nitza-vazquez@prepa.com)