

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

JRSP - SECRETARIA
NEGOCIADO TRANSPORTE Y
OTROS SERVICIOS PUBLICOS
DE ENERGIA
JUN 20 PM 3:25

IN RE: THE PUERTO RICO ELECTRIC
POWER AUTHORITY

INITIAL RATE REVIEW

NO. CEPR-AP-2015-0001

SUBJECT: PREPA's Motion for
Clarification or Reconsideration of One
Item in June 14th Order

**PREPA'S MOTION FOR CLARIFICATION OR
RECONSIDERATION OF ONE ITEM IN JUNE 14th ORDER**

The Puerto Rico Electric Power Authority ("PREPA") hereby respectfully submits to the Puerto Rico Energy Bureau (the "Energy Bureau") this Motion for Clarification or Reconsideration of One Item in June 14th Order.

1. This motion relates to PREPA's quarterly factors and reconciliations filing that is due on June 21, 2019, at 12:00 pm. The June 21st filing involves three riders: the fuel, purchased power, and fuel oil subsidy riders. The June 21st filing calculates the factors that will go into effect for those three riders on July 1, 2019, subject to Energy Bureau review and approval.

2. Under the Energy Bureau's order of April 25, 2019, the original due date for that quarterly filing was June 14, 2019, at 12:00 pm.

3. On June 12, 2019, however, PREPA filed its Motion for an Extension of Time and to Coordinate Overlapping Schedules.

4. The concerns that PREPA raised and explained in its June 12th Motion included the problems that:

- a. the May 2019 reconciliation data that affects all three of those riders would not be available in time for inclusion in the quarterly filing then due on June 14th; and

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- b. PREPA was unsure if the May 2019 reconciliation data would be available for purposes of the quarterly filing even if the due date for the filing were extended to June 21st.

5. PREPA's June 12th motion discussed several alternatives for those problems, in the short term and the long term, including:

- a. Move the June 14th quarterly filing due date to June 21st, although there still would be a risk that the May 2019 reconciliation data would not be ready in time for the filing even by June 21st;
- b. Also move the filing dates for all future quarterly filings (beginning with the September 13th filing) to the 21st of the month (or, if that is not a business day, then to the next business day), subject to the same risk that reconciliation data from the month immediately preceding any given filing would not be available in time; and
- c. Keep the filing dates for all future filings (beginning with the September 13th filing) "as is", allow PREPA to shift the reconciliation data for the month immediately preceding any given quarterly filing to the next quarterly filing, but also allow PREPA to continue to use the reconciliation data from the 2nd and 3rd months before a given filing in that given filing. In other words, the proposal was for future filings to include the 2nd, 3rd, and 4th months reconciliations immediately preceding the quarter in which the reconciliation factors would go into effect, instead of the 1st, 2nd, and 3rd.

6. The Energy Bureau's June 14th order, as PREPA understands it, changed the June 14th quarterly filing due date to June 21st, declined to change the future quarterly filing due dates, and declined to approve the "shift" of one month of reconciliation data (only) that is described above for purposes of future quarterly filings.

7. However, PREPA, frankly, is not 100% sure whether the June 14th order grants, or denies, PREPA permission, if needed, on a one-time basis: (a) to move the May 2019 reconciliation data to the next quarterly filing, which is due on September 13, 2019; and, if so, (b) to apply the March and April 2019 reconciliation data to the June 21st quarterly filing and not to have to shift that data to the September 13th filing.

8. According, PREPA respectfully seeks clarification or reconsideration of that aspect of the June 14th order.

9. If the June 14th order denied PREPA the permission described in paragraph 7, above, then PREPA respectfully submits that reconsideration should be granted and that PREPA should be allowed, on a one-time basis (a) to move the May 2019 reconciliation data to the September 13th quarterly filing; and (b) to continue to apply the March and April 2019 reconciliation data to the June 21st quarterly filing. The circumstances relating to the May 2019 reconciliation data that were described in PREPA's June 12th motion remain the case. In addition, PREPA was recently informed by Information Technology ("IT") personnel that the May 2019 reports, which include the changes related to the permanent rate, are not completed, and that remains the situation at this time. For that reason, the May 2019 reconciliation data will not be available in time

for the June 21st filing. The June 14th order (at p. 3) recognizes that complications are normal in the implementation stages of a new methodology.

10. The non-inclusion of the May 2019 reconciliation data in the June 21st quarterly filing does not mean that the March and April 2019 reconciliation data also should be excluded from the June 21st quarterly filing and should be shifted to the September 13th quarterly filing, particularly as to the fuel and purchased power riders. The opposite is true for important practical reasons. PREPA is concerned that the total March and April 2019 fuel and purchased power reconciliations amounts are approximately \$49 million, and postponing the application of those amounts to the September 13th filing not only would postpone PREPA's recovery of these costs but also could cause high customer bill impacts when they finally are applied.

11. In other words, PREPA respectfully submits that the Energy Bureau should not decline to approve new factors that use the March and April 2019 reconciliation data just because the May 2019 reconciliation data will not be available on time.

WHEREFORE, the Puerto Rico Electric Power Authority respectfully requests that the Puerto Rico Energy Bureau grant this Motion; clarify or reconsider the referenced item in the Bureau's June 14, 2019, order; authorize PREPA to shift the May 2019 reconciliation data to the quarterly factors and reconciliation filing due on September 13, 2019; authorize PRERPA to use the March and April 2019 reconciliation data in the June 21st filing; and, enter such other orders as are warranted.

RESPECTFULLY SUBMITTED,

IN SAN JUAN, PUERTO RICO, THIS 20th DAY OF JUNE, 2019

PUERTO RICO ELECTRIC POWER AUTHORITY

I HEREBY CERTIFY that the foregoing Motion was filed on this day at the office of the Clerk of the Puerto Rico Energy Bureau; and, further, that the was sent via email to the parties of record at the following email addresses: cfl@mcvpr.com; ivc@mcvpr.com; pnieves@vnblegal.com; mmuntanerlaw@gmail.com; maribel.cruz@acueductospr.com; jfeliciano@constructorespr.net; abogados@fuerteslaw.com; eirizarry@ccdlawpr.com; jose.maeso@aae.pr.gov; edwin.quinones@aae.pr.gov; nydinmarie.watlington@cemex.com; aconer.pr@gmail.com; epenenergypr@gmail.com; jorgehernandez@escopr.net; ecandelaria@camarapr.net; pga@caribe.net; manualgabrielfernandez@gmail.com; agraitefe@agraitlawpr.com; mgrpcorp@gmail.com.



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