

GOVERNMENT OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD 2019 AUG -8 PM 3: 52
PUERTO RICO ENERGY BUREAU

IN RE: REVIEW OF THE PUERTO
RICO ELECTRIC POWER
AUTHORITY INTEGRATED
RESOURCE PLAN

NO. CEPR-AP-2018-0001

SUBJECT: PREPA's Motion for
Reconsideration Regarding Initial
Technical Hearing Second Day
Schedule

**PREPA'S MOTION FOR RECONSIDERATION REGARDING INITIAL
TECHNICAL HEARING SECOND DAY SCHEDULE**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW the Puerto Rico Electric Power Authority ("PREPA") and respectfully submits to the honorable Puerto Rico Energy Bureau (the "Energy Bureau")¹ PREPA's Motion for Reconsideration Regarding Initial Technical Hearing Second Day Schedule. PREPA seeks reconsideration on this subject reluctantly but with the deepest earnestness out of practical necessity and in order to work toward providing useful and complete information in an efficient manner and developing a sound evidentiary record.

Background

1. During the PREPA 2015 integrated resource plan ("IRP") case, the Energy Bureau held two Technical Conference calls and one in-person Technical Conference, each of which was held on a single day.²

¹ References herein to the Energy Bureau include the former Puerto Rico Energy Commission, when applicable.

² There were Technical Conference calls on December 14, and December 22, 2015. The in-person Technical Conference was held on April 6, 2016.

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2. On April 24, 2018, the Energy Bureau's Regulation on Integrated Resource Plan for the Puerto Rico Electric Power Authority (Reg. No. 9021), went into effect. Regulation No. 9021, in many ways, provides for a much more formal process than the Energy Bureau conducted in the 2015 IRP case, especially with respect to evidence and hearings.

3. Among other things, Reg. No. 9021, Article III, provides for initial written direct testimony from or on behalf of PREPA, an Initial Technical Hearing, and a procedural calendar that includes, among other things, additional hearings that, in context, would be expected to include an evidentiary hearing.

4. The Initial Technical Hearing is addressed in Reg. No. 9021, Section 3.04. The Initial Technical Hearing as described by Section 3.04 sounds, to PREPA, much like the one day in-person Technical Conference held in the 2015 IRP case.

The Scheduling of the Initial Technical Hearing in This Case

5. On July 3, 2019, the Energy Bureau issued its Resolution and Order ("Completeness Determination of PREPA's IRP Filing and Procedural Calendar"). The Procedural Calendar in the body of the July 3rd order and in its Attachment A set the Initial Technical Hearing for August 13, 2019.

6. In the July 3rd order, the description of the Initial Technical Hearing again sounded, to PREPA, much like the one day in-person technical conference held in the 2015 IRP case.

7. The July 3rd order in the body of the order and in its Attachment A did not indicate that the Initial Technical Hearing might continue past August 13.

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8. The July 3rd order also stated in part: "At a later date, the Energy Bureau will provide more information with regards to Initial Technical Hearing format, the applicable rules of procedure, and the order of the proceedings."

9. On July 26, 2019, the Energy Bureau issued its Resolution ("Appointment of Hearing Examiner; Initial Technical Hearing Format").

10. The July 26th order provided in part that the Initial Technical Hearing would be two full days, starting on August 13 and continuing on August 14.

11. To the best of PREPA's knowledge, the July 26th order was the first statement that the Initial Technical Hearing would not be conducted on the single day of August 13 and instead would continue on August 14.

12. PREPA's point here is not to "argue" that the Energy Bureau could not decide to extend the Initial Technical Hearing to add a second day. Indeed, PREPA has no objection, in concept, to the Energy Bureau adding to the Initial Technical Hearing a second day.

13. PREPA's point here is that PREPA and, in particular, Siemens, reasonably planned their schedules based on the understanding that the Initial Technical Hearing would occur on a single day, August 13. That point is discussed further, below.

14. On August 1, 2019, PREPA filed its Motion Regarding Initial Technical Hearing and Procedural Calendar. PREPA, as part of that Motion, respectfully requested that the Energy Bureau proceed with the first day of Initial Technical Hearing on August 13, but change the second day to August 22, because of the unavailability of certain key Siemens personnel – Dr. Nelson Bacalao, Marcelo Saenz, and Peter Hubbard

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-- on August 14. That concern is discussed further, below. PREPA's Motion proposed how to divide the Initial Technical Hearing topics (as specified by the Energy Bureau's July 26th order) between the two dates, August 13 and 22, so that each topic would be covered, and appropriate personnel would be available for each topic.

15. On August 6, 2019, the Energy Bureau issued its Resolution and Order ("PREPA's Motion Regarding Initial Technical Hearing and Procedural Calendar"). The August 6th order, among other things, denied PREPA's August 1st Motion to move the second day of the Initial Technical Hearing to August 22.

Grounds for Reconsideration and Moving the Second Day to August 22

16. As the Energy Bureau would expect, the Siemens members of the PREPA IRP team devote a great deal of effort to work on this IRP case, but they are experts who are in demand and, while they seek to timely fulfill their obligations for this IRP case, they also work on IRPs and similar tasks in other jurisdictions.

17. Dr. Nelson Bacalao is the lead of the Siemens PREPA IRP team, as he was in the 2015 IRP case. As the Energy Bureau is aware, Dr. Bacalao has participated in each of the technical discussions to date with the Energy Bureau and its staff / consultants in this IRP case. Dr. Bacalao is available on August 13 and 22, but not on August 14. On August 14, he is to attend a stakeholder meeting for the Memphis Light Gas and Water IRP that was set up by the MWPL well before the July 26th order and invitations had been sent to a large number of stakeholders. Dr. Bacalao to be in Memphis has a flight out on the 13th at 6:00 pm, hence is available for most of the day.

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18. Dr. Bacalao is essential, of course, for the IRP presentation on August 13, for which he is available. The extent of Dr. Bacalao's role on the other topics allocated among the now two days of the Initial Technical Hearing varies. However, because he is the Siemens PREPA IRP team lead, it is preferable for him to be present during the entire Initial Technical Hearing, to participate or assist when applicable, but also so that he remains up to date "in real time" on the discussions for purposes of leading the team and working on specific tasks, such as discovery, going forward.

19. Marcelo Saenz has been the lead and manager of the team in charge of the Aurora Long Term Capacity Expansion runs and Nodal Runs. He is the expert on this area and is critical for any discussion on model assumptions, procedures and results. Mr. Saenz is available on August 22, but not on August 13 and 14. Mr. Saenz has an overseas trip planned since the beginning of the year and there is not possibility for him to postpone it or change it without important personal hardship.

20. Siemens believes that it is not essential that Mr. Saenz be present for the topics set for August 13 as proposed in PREPA's August 1 Motion. However, Siemens believes that it would be very important for Mr. Saenz to be available for the following topics that would be set for August 22 as proposed in PREPA's August 1 Motion: Resource Portfolio Results Across Scenarios.

21. Peter Hubbard is in charge of fuel forecast and fuel infrastructure assessment. Mr. Hubbard is available on August 13 and 22, but not on August 14. Mr. Hubbert has a Stakeholder meeting on the 15th on Evansville IN at 9:00 am and would

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only be available for the morning of the 14th. This meeting has multiple parties and not feasible to move.

22. Siemens believes that it would be essential for Mr. Hubbard to be available for the following topics that would be set for August 22 as proposed in PREPA's August 1 Motion: Natural Gas – Commodity, Transport, Infrastructure.

23. Dr. Bacalao, Mr. Saenz, and Mr. Hubbard, in managing their schedules, did not anticipate that the Initial Technical Hearing would continue on August 14, and, as a practical matter, they are not able to "move" their schedule conflicts for August 14, at least not without creating significant problems for their other work or personal hardship.

24. PREPA believes that moving the second day of the Initial Technical hearing to August 22, and thereby allowing the Participation of Dr. Bacalao, Mr. Saenz, and Mr. Hubbard on the second day, would be a significant step toward providing useful and complete information in an efficient manner and developing a sound evidentiary record, especially as to the specific topics referenced above. PREPA respectfully submits that that would be in the interests of all parties, the public, and the Energy Bureau, not just PREPA.

25. If the second day of the Hearing instead goes ahead on August 14, however, then PREPA and Siemens will do their best to answer questions, of course. Yet, not having some key personnel available inherently will tend to make the answering of questions less efficient and creates some risk of the answers being incomplete.

26. PREPA does not believe that moving the second day of the Initial Technical hearing to August 22 would unfairly prejudice any intervenor. The two-day schedule only

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relatively recently was set (by the July 26th order). If any intervenor wishes to participate by telephone on one or both days of the Hearing, then PREPA does not object to that method of participation.

WHEREFORE, the Puerto Rico Electric Power Authority respectfully requests that the Honorable Puerto Rico Energy Bureau grant this Motion, move the second day of the Initial Technical Hearing to August 22, divide topics between August 13 and August 22 as proposed in PREPA's August 1 Motion, amend the Procedural Calendar consistent with this Motion, and enter any other relief as is warranted.

RESPECTFULLY SUBMITTED,

IN SAN JUAN, PUERTO RICO, THIS 8th DAY OF AUGUST, 2019

PUERTO RICO ELECTRIC POWER AUTHORITY



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CERTIFICATION OF FILING AND SERVICE

I hereby certify that on August 8, 2019, I have filed the above motion at the office of the Clerk of the Puerto Rico Energy Bureau; and, that courtesy copy of the Filing was sent via email to the Puerto Rico Energy Bureau Clerk and internal legal counsel via email to secretaria@energia.pr.gov, wcordova@energia.pr.gov, legal@energia.pr.gov, and sugarte@energia.pr.gov.

In addition, the foregoing Filing was sent via email to the approved or pending intervenors (Arctas, Caribe GE, League of Cooperatives and AMANESER 2025, OIPC, EcoElectrica, Empire Gas, Environmental Defense Fund, Local Environmental Organizations, National, "Non Profits", Progression, SESA-PR, Renew, Shell, Sunrun, Wartsila, Windmar Group) and amicus (ACONER, AES-PR, RMI) at the following email addresses: sierra@arctas.com, tonytorres2366@gmail.com, cfl@mcvpr.com, gnr@mcvpr.com, info@liga.coop, amaneser2020@gmail.com, hrivera@oipc.pr.gov, jrivera@cnspr.com, carlos.reyes@ecoelectrica.com, ccf@tcmrslaw.com, manuelgabrielfernandez@gmail.com, acarbo@edf.org, pedrosaade5@gmail.com, rmurthy@earthjustice.org, rstgo2@gmail.com, larroyo@earthjustice.org, jluembkemann@earthjustice.org, acasellas@amgprlaw.com, loliver@amgprlaw.com, epo@amgprlaw.com, rob.berezin@weil.com, marcia.goldstein@weil.com, jonathan.polkes@weil.com, gregory.silbert@weil.com, agraitfe@agraitlawpr.com, maortiz@lvprlaw.com, rnegron@dnlawpr.com, cfl@mcvpr.com, castrodiéppalaw@gmail.com, voxpathulix@gmail.com, paul.demoud@shell.com, javier.ruajovet@sunrun.com, escott@ferraiuoli.com, mgrpcorp@gmail.com, aconer.pr@gmail.com, axel.colon@aes.com, rtorbert@rmi.org.

PREPA does not yet know what email address to use for intervenor CIAPR.

Please advise PREPA of any needed corrections or changes to the above email address list.



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