

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



IN RE: PUERTO RICO ELECTRIC POWER
AUTHORITY PERMANENT RATE

CASE NO.: NEPR-MI-2020-0001

SUBJECT: Motion to Submit CILT, SUBA-HH,
and SUBA-NHH Reconciliations and
Proposed Factors.

RESOLUTION AND ORDER

On June 27, 2019, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order, in Case No. CEPR-AP-2015-0001; NEPR-AP-2018-0003¹ ("June 27 Resolution") through which it approved several riders designed to recover the costs associated to fuel, purchased power, Contribution in Lieu of Taxes ("CILT"), and other subsidies. As part of the June 27 Resolution, the Energy Bureau modified several of the PREPA's proposed rider factors. Each of the Energy Bureau's modifications were explained and duly substantiated. As a consequence, among others, the Energy Bureau ordered the Puerto Rico Electric Power Authority ("PREPA") to implement the following factors:

- a. A CILT rider factor of \$0.007246/kWh for the period of July 1, 2019 to June 30, 2020. The Prior Period Adjustment for this factor was established at \$34,453,577.²
- b. A SUBA-HH³ rider factor of \$0.0124/kWh for the period of July 1, 2019 to June 30, 2020. The Prior Period Adjustment for this factor was established at –(\$22,835,638).⁴
- c. A SUBA-NHH⁵ rider factor of \$0.000921/kWh for the period of July 1, 2019 to June 30, 2020. The Prior Period Adjustment for this factor was established at \$6,523,022.⁶

¹ Resolution and Order, *In re: Puerto Rico Electric Power Authority Rate Review*, Case No. CEPR-AP-2015-0001; NEPR-AP-2018-0003, June 27, 2019.

² June 27 Resolution, p. 9.

³ Help to Humans subsidies.

⁴ June 27 Resolution, p. 11.

⁵ Non-Help to Humans subsidies.

⁶ June 27 Resolution, p. 12.

All the Prior Period Adjustments correspond to the period in which PREPA's Temporary Rates were in effect (*i.e.* July 1, 2016 to April 30, 2019).

On June 5, 2020, PREPA filed before the Energy Bureau a document titled *Motion to Submit CILT, SUBA-HH, and SUBA-NHH Reconciliations and Proposed Factors* ("Motion"). Through its Motion PREPA submitted the reconciliation of the CILT, SUBA-HH, and SUBA-NHH riders and the proposed factors to be applied during the period of July 1, 2020 to June 30, 2021. However, PREPA failed to include as part of the calculations related to the reconciliation of costs of the past 12-month period, the Prior Period Adjustments approved by the Energy Bureau in the June 27 Resolution.⁷

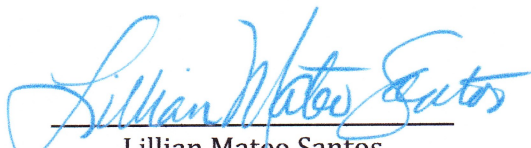
On the other hand, Cells C4 – C9, of Exhibit A file "distribucion mensual 2021 Updated May 29 FOMB Macros.xlsx" references the file "Proyección de consumo, generación y demanda máxima 2021-39 (updated May292020).xlsx". However, such file was not included as part of Exhibit A of the Motion.

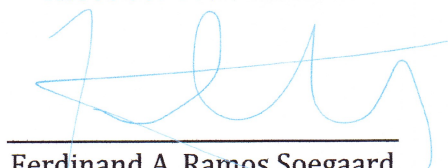
Therefore, the Energy Bureau **ORDERS** PREPA to submit, **on or before 5:00 p.m. June 15, 2020**, updated versions of the files "ANNUAL RECONCILIATION - CILT AND SUB RIDERS - MAY 2019 TO APRIL 2020 (Update by Planning).xlsx" and "Attachment 5 - CILT and SUBSIDIES RECONCILIATION - Filing 06052020.xlsx" that reflect corrected calculations of the reconciliations and proposed CILT, SUBA-HH and SUBA NHH rider factors. PREPA must also submit the file "Proyección de consumo, generación y demanda máxima 2021-39 (updated May292020).xlsx" in original format with formulae intact.

Be it notified and published.


Edison Avilés Deliz
Chairman


Ángel R. Rivera de la Cruz
Associate Commissioner


Lillian Mateo Santos
Associate Commissioner


Ferdinand A. Ramos Soegaard
Associate Commissioner

⁷ See Motion, Exhibit A, "ANNUAL RECONCILIATION - CILT AND SUB RIDERS - MAY 2019 TO APRIL 2020 (Update by Planning).xlsx", Tab "RECONCILIATION SUMMARY", Cells C11 to N11, C24 to N24 and C37 to N37. PREPA must include the corresponding Prior Period Adjustment amount for each rider as described above. Moreover, PREPA included an additional adjustment for the CILT rider in the amount of \$10,143,272.81. *Id.*, Cell O11. If PREPA deems this adjustment necessary, it should be placed in Cell O17 (Other Adjustments). PREPA must provide a satisfactory explanation for such adjustment.



CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on June 12, 2020. I also certify that on June 12, 2020 a copy of this Resolution and Order was notified by electronic mail to: astrid.rodriguez@prepa.com, jorge.ruiz@prepa.com, n-vazquez@aeep.com, c-aquino@prepa.com, kbolanos@diazvaz.law. I also certify that today, June 12, 2020, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau.

For the record, I sign this in San Juan, Puerto Rico, today June 12, 2020.


Wanda I. Cordero Morales
Clerk

