

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



**IN RE:** REVIEW OF THE PUERTO RICO  
ELECTRIC POWER AUTHORITY'S DATA  
SECURITY PLAN

**CASE NO.:** NEPR-MI-2020-0017

**SUBJECT:** Commencement of Proceeding for  
Evaluation of the Data Security Plan under  
Section 4(h) of the Operation and  
Maintenance Agreement.

**RESOLUTION AND ORDER**

Pursuant to Act 57-2014,<sup>1</sup> the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") has jurisdiction over the Puerto Rico Electric Power Authority ("PREPA") and all other electric service companies. Act 57-2014, clearly states it is public policy that all consumers have the right to a reliable and stable electric service.<sup>2</sup> Based on the current state of the electric system, it is of the utmost importance that PREPA transforms the power grid and its operations to provide a more reliable and stable service to its customers. Act 17-2019<sup>3</sup> broadened the Energy Bureau's authority and reinforced the foregoing public policy by declaring that, "(t)he electric power system should be reliable and accessible, promote industrial, commercial, and community development, improve the quality of life at just and reasonable cost, and promote the economic development of the Island."<sup>4</sup>

Regarding cyber security, Act 17-2019 requires that every electric power service company design mitigation options adapted to their information technology networks and operations, which shall include the adoption of specific cyber security measures to effectively prevent and manage cyberattacks.<sup>5</sup> Furthermore, Section 6.3 of Act 57-2014 empowers the Energy Bureau to oversee that electric power companies adopt cybersecurity measures to effectively prevent and manage cyberattacks that may affect information technology networks and operations under the industry recognized practices.

<sup>1</sup> Known as the *Puerto Rico Energy Transformation and RELIEF Act*, as amended.

<sup>2</sup> *Id.*, Article 1.2(l).

<sup>3</sup> Known as the *Puerto Rico Energy Public Policy Act*.

<sup>4</sup> *Id.*, Statement of Motives, p.2.

<sup>5</sup> *Id.* at Sections 1.5 (8)(d) and 1.6(6) of Act 17-2019.

On June 22, 2020, PREPA, the Puerto Rico Public-Private Partnerships Authority, LUMA ENERGY, LLC<sup>6</sup> as ManagementCo, and LUMA ENERGY SERVCO, LLC<sup>7</sup> as ServCo (collectively, "LUMA") entered into a Operation and Maintenance Agreement ("OMA") under which LUMA will manage PREPA's transmission and distribution system ("T&D System").<sup>8</sup>

As a certified electric service company and the operator of the T&D, LUMA is subject to compliance with applicable statutory and regulatory requirements Regarding the preparation of a Data Security Plan, Section 4.2(h) of the OMA, states:

(h) Physical Security Plan, Data Security Plan and Vegetation Management Plan. ManagementCo shall develop and provide Administrator and PREB, for their information, with plans of action meeting Contract Standards that outline the procedures and actions necessary for maintaining (i) the physical security of the T&D System after the Service Commencement Date (the "Physical Security Plan"); (ii) data security, cyber security and information security relating to the T&D System (the "Data Security Plan"); and (iii) a comprehensive vegetation management program (the "Vegetation Management Plan"), each of which shall become effective on the Service Commencement Date; provided that if each of the Physical Security Plan, Data Security Plan, and Vegetation Management Plan are substantially complete on the Service Commencement Date, their finalization shall not delay the Service Commencement Date from occurring if all other Service Commencement Date Conditions have been satisfied or waived. To avoid doubt, the Data Security Plan shall be subject to the System Remediation Plan, including the approach for implementation outlined in Section 4.1(d) (*Front-End Transition Period Generally – Transition to Standard of Performance*).<sup>9</sup>

It is important to clarify that, as expressed in the Energy Bureau's Resolution and Order of June 17, 2020, any language depriving or restricting Energy Bureau's jurisdiction is not binding to the Energy Bureau.<sup>10</sup> The draft Data Security Plan to be filed shall be aligned with principles beneficial to the public interest, including but not limited to, the following:

1. **Advance the Earlier Compliance with Public Policy** - The proposed plan shall discuss and show how it helps achieve the accelerated implementation of public policy such as reliability, resiliency, safety and other similar mandates.

<sup>6</sup> See In re: Request for Certification LUMA ENERGY, LLC, Case No. NEPR-CT-2020-0008.

<sup>7</sup> See In re: Request for Certification LUMA ENERGY SERVCO, LLC, Case No. NEPR-CT-2020-0007.

<sup>8</sup> The execution copy of the OMA is available at <https://aafaf.pr.gov/p3/wp-content/uploads/2020/06/executed-consolidated-om-agreement-td.pdf>

<sup>9</sup> See Section 4.2(h) of the OMA.

<sup>10</sup> See In re: Certificate of Energy Compliance, Case No. NEPR-AP-2020-0002, Resolution and Order, June 17, 2020.



2. **Further Efficiencies and Savings** – The proposed plan shall discuss and show how it pursues the achievement of the highest level of efficiencies and savings.
3. **Impact to areas with significant issues** - The proposed plan shall discuss and show how it will address areas where vulnerabilities present a potential for significant damage to be caused.
4. **Synergies** - The proposed plan shall discuss and show how it will take advantage other information systems and technological improvements to achieve the most effective results and lowest costs.
5. **Benefits for the Public Interest** - The proposed plan shall discuss and show how its implementation will cause a clear benefit for the public interest and the ratepayers.

The Energy Bureau **ORDERS** PREPA and LUMA to ensure that any filing to be presented before the Energy Bureau under Section 4.2(h) of the OMA is aligned with: (i) Section 1.16 of Act 17; and (ii) the foregoing principles. The filing shall also show and discuss how it will take advantage of any work done by PREPA. Furthermore, while undertaking the preparation of this filing, PREPA and LUMA **SHALL** ensure that duplicity of efforts, which result imprudent costs, is avoided.<sup>11</sup> Once the filing takes place, the Energy Bureau will issue the corresponding procedural calendar.

Notwithstanding the foregoing, and to ensure that the filing is aligned with the foregoing principles, the Energy Bureau **ORDERS** PREPA and LUMA representatives to attend a Pre-Filing Technical Conference to be held remotely on **January 20, 2020 at 10:00 am**. During the mentioned Pre-Technical Conference, PREPA and LUMA may clarify their questions regarding the filing (*i.e.*, content that should be included in the filing). Given the information to be handled under this case, all proceedings and filing are deemed confidential unless the Energy Bureau determines otherwise.

The Energy Bureau **WARNS** PREPA and LUMA that, noncompliance with any provision of this Resolution and Order, may result in the imposition fines under Act 57-2014 and the applicable Energy Bureau's regulations and/or any other appropriate administrative sanctions, as deemed appropriate by the Energy Bureau.

Be it notified and published.

---

<sup>11</sup> See In re: Coordination of System Planning Efforts – Front End Transition of T&D System Operation and Maintenance, Case No. NEPR-MI-2020-0008, Resolution and Order, December 8, 2020. The warnings and orders included in the foregoing Resolution and Order are extensive and applicable to this process and filing. *Id.* at page 2.





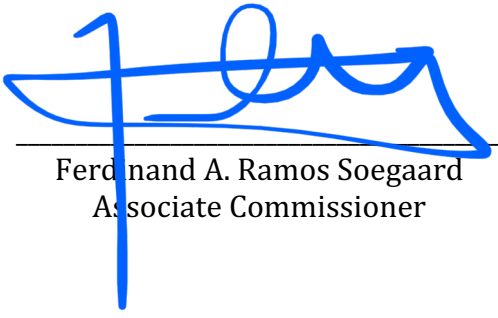
Edison Avilés Deliz  
Chairman



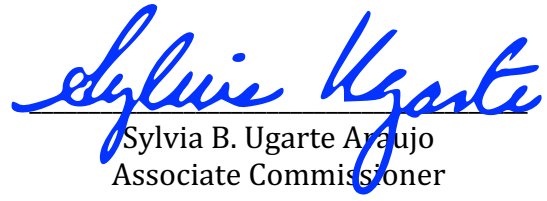
Ángel R. Rivera de la Cruz  
Associate Commissioner



Lillian Mateo Santos  
Associate Commissioner



Ferdinand A. Ramos Soegaard  
Associate Commissioner

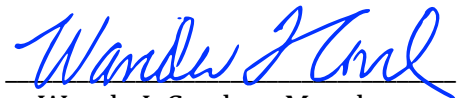


Sylvia B. Ugarte Araujo  
Associate Commissioner

**CERTIFICATION**

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on December 31, 2020. I also certify that on December 31, 2020 a copy of this Resolution and Order was notified by electronic mail to the following: astrid.rodriguez@prepa.com, fabiola.rosa@prepa.com, marisol.pomales@prepa.com, vilmarie.fontanet@prepa.com, jorge.ruiz@prepa.com, Legal@lumamc.com, wayne.stensby@lumamc.com and mario.hurtado@lumamc.com. I also certify that today, December 31, 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 December 31, 2020.



Wanda I. Cordero Morales  
Clerk

