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VIA EMAIL <u>comentarios@energia.pr.gov</u>

Mr. Edison Avilés-Deliz Chairman Puerto Rico Energy Bureau World Plaza Building 268 Ave. Muñoz Rivera Nivel Plaza Suite 202 Hato Rey, PR 00918

RE: In the Performance of PREPA, NEPR-MI-2019-0007; Performance Targets for LUMA ENERGY SERVCO, LLC NEPR-AP-2020-0025 (Post Technical Conference Comments)

SESA expresses its gratitude to the Honorable Energy Bureau (hereinafter "PREB" or "the Bureau") for the opportunity to provide comments regarding the recent Technical Conference held within this proceeding on February 22, 2021.

SESA wishes to re-emphasize two aspects from the PBR Technical Conference held on Monday, February 22: firstly, that PREPA, via Mr. Fernando Padilla expressed around minute 00:12:51 that PREPA "overall [...] agree[d] with various testimonies from the different stakeholders, the collaborative process outlined by the Rocky Mountain Institute, and for them to play an active role as a as an independent entity" and that PREPA "found value on those regards and continuing this process on a collaborative manner."

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This is a very positive statement and aligns with the clear across the board consensus among stakeholders to run a bottom up, meaningful, expertly informed and led, PBR/PIM multistakeholder process to correctly establish and set the necessary metrics.

Secondly, at minute 00:13:28, PREPA also agreed with SESA-PR that "performance metrics will be key on the ongoing transition for the renewable energy infrastructure." This statement, which is at first glance positive, was also the only time "renewables" was mentioned in the Technical Conference. This underscores the need for this honorable Energy Bureau to make sure that PREPA and LUMA focus on the critical policy objective before us: full Act 17-2019 compliance, and the specific metrics directly associated with that, like automatic and expedited interconnection of renewables and compliance with legally mandated energy efficiency and renewables penetration goals.

As we mentioned in our initial comments, in Act 17-2019's Statement of Motives, the Legislature spells out some of the critical problems which must be solved in Puerto Rico, for example "poor energy diversification, the hindering of the integration of distributed generation and renewable energy sources, and high fossil fuel dependency." Performance Based Regulation and Performance Metrics are the proverbial carrots and sticks which are part of the Bureau's' regulatory powers and toolset to move the pertinent regulated utility, in a correct, public policy compliant, direction.

Again: strict compliance with these type of performance metrics is critical as they reflect and look to implement the strong legislative pro-renewables (including all scales solar plus storage) goals and mandates. PREB must focus this proceeding on metrics that encourage utilities' "compliance with the Renewable Portfolio Standard and rapid integration of renewable energy sources, including the quality of the interconnection of resources located in consumers' properties" (Act 17-2019, Section 5.21).

¹ For example:

^{[...][}Lack of infrastructure maintenance, the inadequate distribution of generation vis-à-vis demand, the absence of the necessary modernization of the electrical system to adjust it to new technologies, energy theft [...] poor energy diversification, the hindering of the integration of distributed generation and renewable energy sources, and high fossil fuel dependency.[...][P]ower plants of the Electric Power Authority have become the main polluters of our environment given their high greenhouse gas emissions. The pollution generated by the Authority worsens the effects of climate change. [...] For such reason[s], the enacted legislation recognized the need to approve a new regulatory framework and a cutting-edge public policy on energy that encourages the use of new technology, alternative energy methods, distributed generation and renewable energy sources, the integration of microgrids, and the flexibility of a competitive market. [...] [Emphasis provided.]

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SESA-PR reiterates its request for an effective multi-stakeholder workshops as described herein, in our prior filings, as well as in other stakeholders filings and statements, before final Act 17 focused performance metrics are established.

SESA-PR also reaffirms its gratitude to the Bureau for the opportunity to comment in this docket and looks forward to continued engagement.

Cordially,

[signed]

Patrick J. Wilson President, SESA-PR info@sesapr.org