

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

**NEER**

**Received:**

**Mar 26, 2021**

**3:15 PM**

**IN RE:** THE UNBUNDLING OF THE  
ASSETS OF THE PUERTO RICO  
ELECTRIC POWER AUTHORITY

**CASE NO.:**  
NEPR-AP-2018-0004

**SUBJECT:**  
Weekly Status Report;  
March 26, 2021

**MOTION TO SUBMIT WEEKLY STATUS REPORT FOR  
THE WEEK ENDING ON MARCH 26, 2021**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW, the Puerto Rico Electric Power Authority (the “Authority”), through its undersigned counsel and, in compliance with the February 5, 2021 Order<sup>1</sup>, respectfully submits the *Estimate of Deliverables and Timing of Meeting Regulatory Commitment for an Unbundled Rate Proposal* (the “Weekly Status Report”) dated March 26, 2021. Exhibit A.

WHEREFORE, the Authority respectfully requests the Puerto Rico Energy Bureau of the Public Service Regulatory Board to note the Authority’s compliance with the Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 26<sup>th</sup> day of March 2021.

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<sup>1</sup> *Resolution and Order* entered on February 5, 2021 (the “Order”).

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*/s Joannely Marrero Cruz*  
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**CERTIFICATE OF SERVICE**

It is hereby certified that, on this same date, I have filed the above motion with the Office of the Clerk of the Energy Bureau using its Electronic Filing System at <https://radicacion.energia.pr.gov/login>, and a courtesy copy of the filing was sent via e-mail to [hrivera@oipc.pr.gov](mailto:hrivera@oipc.pr.gov), [ramonluisnieves@rlnlegal.com](mailto:ramonluisnieves@rlnlegal.com); [manualgabrielfernandez@gmail.com](mailto:manualgabrielfernandez@gmail.com); [ccf@tcm.law](mailto:ccf@tcm.law).

In San Juan, Puerto Rico, this 26<sup>th</sup> day of March 2021.

*/s Joannely Marrero Cruz*

Joannely Marrero Cruz

Exhibit A



## Memorandum

**To:** Puerto Rico Electric Power Authority

**From:** Guidehouse

**Date:** March 26, 2021

**Re:** Puerto Rico Energy Bureau Weekly Status Report, *Estimate of Deliverables and Timing of Meeting Regulatory Commitment for an Unbundled Rate Proposal*

This status report describes work performed in the preceding week, **March 19 – 25, 2021**, on the tasks outlined in the *Estimate of Deliverables and Timing of Meeting Regulatory Commitment for an Unbundled Rate Proposal*, in support of the May 10, 2021 filing deadline established by the Energy Bureau.

### Description of Work Performed

- Guidehouse performed Cost of Service analysis including:
  - Drafting slides for internal Cost of Service Workshop, including methodology, assumptions, and preliminary results
  - Calculating marginal capacity costs by driver (e.g., restoration, resilience, lifecycle replacement, load, and policy) and asset category (e.g., generation, transmission, and distribution)
  - Identifying load sensitivity and capital investment planning scenarios to further assess marginal cost estimates
- The internal Cost of Service workshop was rescheduled for March 30 due to several calendar conflicts such as conferences for other regulatory cases, and will present results internally at that time. This sub-task timeline is extended but does not delay the overall timeline.
- Guidehouse performed rate design activities including:
  - Developing data proxies to estimate forecasted peak demand by customer class for calculating marginal cost revenue
  - Developing other billing determinants for rate design
- Guidehouse, PREPA and LUMA held a project check-in meeting on March 24.
- Guidehouse planned interview questions and interview requests for the Rate Implementation Assessment.
- Guidehouse planned the approach to developing a draft wheeling agreement and began drafting potential wheeling process structures.

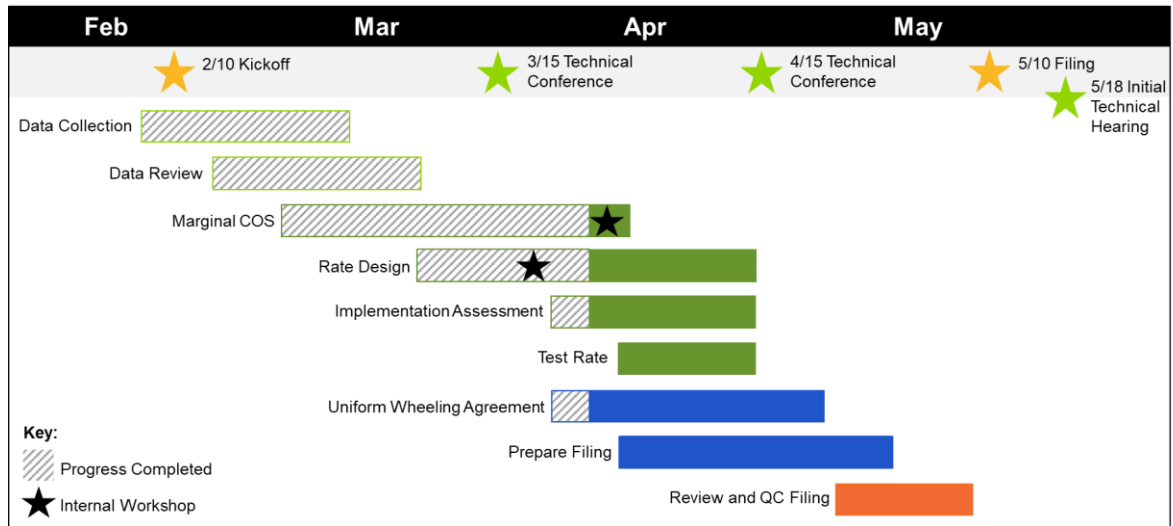


### Progress by Task

Task	Description	Estimated Duration <sup>1</sup>	Progress
Data Collection	Gather all relevant cost, planning and load forecast data from PREPA, to include anticipated transmission flows and interconnections.	3 weeks	100%
Data Review	Review data for quality and design proxies where data are insufficient or poor in quality.	3 weeks	100%
Cost of Service Study	Conduct marginal cost of service study, which includes reviewing all planned projects and identification of which projects are designed to meet load growth versus infrastructure improvements, lifecycle replacement and grid hardening.	4 weeks	95%
Rate Design	Design wheeling rate based on cost of service study results.	5 weeks	50%
Implementation Assessment	Interview key PREPA personnel responsible for billing, contract management, metering, accounting and other organizations as needed to determine what PREPA's capabilities are to implement and maintain the proposed wheeling rate.	3 weeks	10%
Test Rate	Test wheeling rate against different ESPC demands.	2 weeks	0%
Uniform Wheeling Agreement	Develop a uniform wheeling services agreement and vet with PREPA's legal teams.	4 weeks	10%
Filing Preparation	Prepare regulatory filing, including professional testimony and supporting workpapers.	4 weeks	0%
Filing Review	Review and QC final workpapers and testimony.	2 weeks	0%

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<sup>1</sup> Tasks will be performed in parallel.



### Issue Register

No issues to report at this time.