

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

**NEPR**

**Received:**

**Apr 6, 2021**

**10:44 PM**

IN RE: REVIEW OF LUMA'S INITIAL  
BUDGETS

**CASE NO. NEPR-MI-2021-0004**

**SUBJECT:** Clarification to Initial Budgets.

**MOTION SUBMITTING CLARIFICATION TO PORTIONS OF LUMA'S  
INITIAL BUDGETS**

**TO THE HONORABLE PUERTO RICO ENERGY BUREAU:**

**COME** now **LUMA Energy, LLC** ("ManagementCo"), and **LUMA Energy ServCo, LLC** ("ServCo"), (jointly referred to as "**LUMA**"), and respectfully state and request the following:

1. On February 24, 2021, LUMA filed before this Honorable Puerto Rico Energy Bureau ("Bureau") a Petition for Approval of Initial Budgets and Related Terms of Service ("Initial Budgets Petition"), pursuant to Section 6.22 of Act 57-2014, as amended, the "Puerto Rico Energy Transformation and Relief Act" (Act 57-2014), to the Rate Case proceeding conducted by this Bureau in Case No. CEPR-AP-2015-0001 ("2017 Rate Case"), and per LUMA's obligations under Section 4.2 (e) of the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement dated as of June 22, 2020, by and among the ("Puerto Rico Electric Power Authority ("PREPA"), the Puerto Rico Public-Private Partnerships Authority ("P3 Authority") ("OMA").

2. Exhibit 1 to LUMA's Initial Budgets Petition includes LUMA's proposed Initial Budgets ("Initial Budgets").

3. LUMA hereby respectfully submits clarifications and revisions to its Initial Budgets. The revisions are warranted to align the Initial Budgets with the Final Resolution issued

by this honorable Bureau on March 8, 2017 in the 2017 Rate Case (“March 8<sup>th</sup> Final Resolution”). The March 8<sup>th</sup> Final Resolution amended, in part, the Final Resolution and Order that was issued on January 10, 2017 (in English) and on March 31, 2017 (in Spanish) in the 2017 Rate Case.

4. As is fully explained at page 1 of Exhibit A to this Motion, the Initial Budgets that were submitted to this honorable Bureau used a value of **\$1,287.998** million for the PREPA Base Rate Revenue Requirement without subsidies. Said value should be revised to adopt the Bureau’s March 8<sup>th</sup> Final Resolution that removed subsidies from the approved PREPA Base Rate Revenue Requirement and increased the Bad Debt Expense by \$1.1 million. Accordingly, the revised PREPA Base Rate Revenue Requirement value is **\$1,289.098** million.

5. Exhibit A to this Motion includes a Table that compares the PREPA Base Rate Revenue Requirement established in the Final Resolution and Order issued by this Bureau on January 10, 2017 (in English) and on March 31, 2017 (in Spanish) in the 2017 Rate Case, with the revised PREPA Base Rate Revenue Requirement established in the March 8<sup>th</sup> Final Resolution. *See* Exhibit A, at page 1.

6. As explained in Exhibit A to this Motion, the revision to the value of PREPA Base Rate Revenue Requirement increases the spending limit for each fiscal year (2022-2024) by approximately \$1 million.

7. With this proposed revision to the value of the PREPA Base Rate Revenue Requirement, **LUMA is not requesting changes to the Initial Budgets**. More importantly, the Initial Budgets **remain within the limits approved by this honorable Bureau in the 2017 Rate Case**.

8. Exhibit A to this Motion includes a Revised Schedule 5-6 to LUMA’s Initial Budgets (entitled “2017 Rate Order Base Rate Revenue Requirement Limit Comparison”) that

incorporates the aforementioned revision to the PREPA Base Rate Revenue Requirement. It is respectfully requested that this honorable Energy Bureau substitute the version of Schedule 5.6 that was filed on February 24, 2021 and is included at page 74 of the Initial Budgets, with the Revised Schedule 5.6 included at page 2 of Exhibit A to this Motion. Exhibit B to this Motion is the excel spreadsheet of the Revised Schedule 5.6 and will be submitted via email.

9. Similarly, Exhibit A to this Motion includes a Revised Table 3-4 to LUMA's Initial Budgets that is a Summary Comparison of LUMA's proposed Initial Budgets with the 2017 Rate Order. The revised Table 3-4 aligns the summary of the 2017 Rate Order with the Bureau's March 8<sup>th</sup> Final Order. It is respectfully requested that this honorable Bureau substitute the version of Table 3-4 that was filed on February 24, 2021 and is included at page 44 of the Initial Budgets, with the Revised Table 3-4 that is included at page 3 of Exhibit A.

10. Finally, LUMA respectfully requests that this honorable Bureau accept a revision to Appendix C-3 to the Initial Budgets that corrects a typographical error on the Year End 2019 SAIFI. *See* Exhibit A at page 4. The correct value of interruptions is 8.8 (not the 9.8 that was included in Appendix C-3 to the Initial Budgets). At page 4 of Exhibit A to this Motion, LUMA submits a revised Appendix C-3 to its Initial Budgets and requests that the honorable Energy Bureau substitute Appendix C-3 included at page 86 of the Initial Budgets with the revised Appendix C-3 that is included at page 4 of Exhibit A to this Motion.

**WHEREFORE,** LUMA respectfully requests that the Bureau **take notice** of aforementioned, **accept** Exhibit A to this Motion which includes revisions to the text of LUMA's Initial Budgets as explained at page 1 of Exhibit A, and **substitute** Schedule 5-6, Table 3-4, and Appendix C-3 of the February 24, 2021 Initial Budgets with the revised versions of the same that are being submitted in Appendix A to this Motion.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 6th day of April 2021.

I hereby certify that I filed this motion using the electronic filing system of this Energy Bureau and that I will send an electronic copy of this motion to the attorneys for PREPA, Joannely Marrero-Cruz, [jmarrero@diazvaz.law](mailto:jmarrero@diazvaz.law); and Katuska Bolaños-Lugo, [kbolanos@diazvaz.law](mailto:kbolanos@diazvaz.law).



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## Clarification

## Initial Budgets

Subsequent to filing, LUMA has identified two items requiring clarification, as follows:

## 1. Values extracted from PREB's Resolution and Order in Case CEPR-AP-2015-0001

LUMA identified an inadvertent error within its values extracted from PREB's 2017 Rate Case (Case CEPR-AP-2015-0001).

In the Final Resolution and Order dated January 10, 2017 / March 31, 2017 (English / Spanish), the PREPA Base Rate Revenue Requirement (Line No. 26, Attachment 1 as presented in Appendix 1 below) approved was \$1,476,724,000 and included \$188,726,000 of Subsidies (Line No. 18, Attachment 1 as presented in Appendix 1 below), resulting in \$1,287,998,000 PREPA Base Rate Revenue Requirement without Subsidies. LUMA used this value (\$1,287,998,000 – PREPA Base Rate Revenue Requirement without Subsidies) to develop the Initial Budgets.

Revisions to PREB's January 10, 2017 Order made in the March 8, 2017 Final Resolution are as follows:

- removed Subsidies (Line No. 18, Attachment 1 Revised as presented in Appendix 2 below) from the approved PREPA Base Rate Revenue Requirement and
- increased the Bad Debt Expense by \$1.1 million (comparing \$97,384,000 [Line 9, Attachment 1 as presented in Appendix 1 below] increased to \$98,484,000 [Line No. 9, Attachment 1 Revised as presented in Appendix 2 below]).

This resulted in an approved PREPA Base Rate Revenue Requirement of \$1,289,098,000 (Line No. 26, Attachment 1 Revised as presented in Appendix 2 below).

A comparison of PREPA's Base Rate Revenue Requirements is presented below:

Description	Attachment 1 Line No. Reference	January 10, 2017 / March 31, 2017 Final Resolution and Order Based Rate: Commission Adjusted Results (\$) – <i>Refer to Appendix 1</i>	March 8, 2017 Final Resolution Base Rate: Commission Adjusted Results (\$) – <i>Refer to Appendix 2</i>
<b>PREPA Base Rate Revenue Requirement</b>	26	1,476,724,000	1,289,098,000
<b>Subtotal Subsidies</b>	18	188,726,000	-
<b>Base Rate Revenue Requirement used by LUMA in Initial Budgets</b>	n.a.	<b>1,287,998,000</b>	<b>1,289,098,000</b>

LUMA has compared the previously reported PREPA Base Rate Revenue Requirement after removing subsidies of \$1,287,998,000 from the January 10, 2017 / March 31, 2017 English / Spanish) Final Resolution and Order, to the revised PREPA Base Rate Revenue Requirement of \$1,289,098,000 from the March 8, 2017 Final Order and confirms that the resulting variance and impact to LUMA's Initial Budgets filing is immaterial and that LUMA's Initial Budgets as proposed are below the limit of the revised PREPA Base Rate Revenue Requirement. The revised requirement results in approximately \$1 million of higher limit for each fiscal year 2022-2024. LUMA's proposed annual budgets remain within the limits approved in the 2017 Rate Case. In this clarification LUMA is not requesting changes to its proposed budgets for fiscal years 2022-2024.

# Initial Budgets

LUMA also clarifies that any reference in its Initial Budgets filing to PREB's Final Resolution and Order in Case CEPR-AP-2015-0001 of March 31, 2017 should be read to include revisions made in the March 8, 2017 Final Resolution.

Revised information is summarized below, in **yellow highlight**. The resulting impact would increase LUMA's expenditures limit based on PREPA Projected Sales by approximately \$1 million for each year 2022-2024, respectively, as described below.

## Revised Schedule 5-6. 2017 Rate Order Base Rate Revenue Requirement Limit Comparison

(\$ in 000s, or otherwise indicated)

1	2	3			4			5		
		Schedule Reference			2022	2023	2024	2022	2023	2024
2	PREPA Forecasted Sales Without Efficiencies (kWh)				16,271,516,696	16,066,156,200	15,973,683,885			
3	Load Reduction Due to Efficiencies (kWh)				(406,749,115)	(1,135,276,543)	(1,855,936,826)			
4	PREPA Forecast Sales (kWh)				15,864,767,581	14,930,879,657	14,117,747,059			
5	Expenditures Limit based on PREPA Projected Sales				\$ 1,184,321	\$ 1,114,605	\$ 1,053,904			
6	Transmission & Distribution Operating Expenditures	5.2			\$ 514,502	\$ 561,413	\$ 558,479			
7	Transmission & Distribution Other	5.3			\$ 110,976	\$ 120,715	\$ 134,141			
8	Capital Budget - Non-Federally Funded	5.5			\$ 124,101	\$ 126,893	\$ 135,783			
9	Future Efficiencies <sup>1</sup>	5.2			\$ -	\$ (59,409)	\$ (110,557)			
10	Generation Budget <sup>2</sup>	5.1			\$ 288,092	\$ 278,873	\$ 254,661			
11	Other (Bad Debts, PREPA Legacy, Bankruptcy and Advisor Costs)	5.3			\$ 145,639	\$ 85,170	\$ 80,497			
12	Total Non-Federally Funded Transmission & Distribution and Generation Expenditures				\$ 1,183,310	\$ 1,113,655	\$ 1,053,005			
13	Surplus / (Deficit)				\$ 1,011	\$ 951	\$ 899			
14	Total Non-Federally Funded Transmission & Distribution and Generation \$/kWh				\$ 0.0746	\$ 0.0746	\$ 0.0746			
13	Updated Actual Load (Nov 1, 2019 to Oct 30, 2020) (kWh)				16,079,046,283	16,079,046,283	16,079,046,283			
14	Illustrative \$/kWh assuming Consistent Load (Line 10 divided by Line 13) <sup>3</sup>				\$ 0.0736	\$ 0.0693	\$ 0.0655			

2017 Rate Case		Revised <sup>4</sup>	Previously Reported <sup>5</sup>	Variance
15	PREPA Projected Sales (kWh)	17,268,325,180	17,268,325,180	-
16	PREPA Base Rate Revenue Requirement (\$)	1,289,098	1,287,998	1,100
17	PREPA Base Rate Rev Req (\$/kWh)	\$ 0.0747	\$ 0.0746	\$ 0.0001

### Note:

- Reduction required for 2017 Rate Order Limit with future efficiencies that may be achieved by additional LUMA operational efficiencies and reallocation of ratepayer funds. Refer to Section 2.2 for further information.
- Generation budget includes Shared Services provided by LUMA to GenCo.
- Demonstrates a decreased \$/kWh rate if FY 2022-2024 load remains consistent with November 1, 2019 to October 30, 2020 actual load.
- Revised PREPA Base Rate Revenue Requirement from revisions made in the March 8, 2017 Final Resolution did not include Subsidies (\$1,289,098).
- Previously Reported PREPA Base Rate Revenue Requirement from January 10, 2017 Resolution and Order included Subsidies. (\$1,287,998 = \$1,476,724 less \$188,726 [Subsidies]).

## Initial Budgets

In addition, LUMA provides a revised Table 3-4 below, to correct numbers within the FY 2022 Budget, to reflect the March 8, 2017 Final Resolution, Case CEPR-AP-2015-0001.

**Revised Table 3-4. Summary Comparison to Current Rate Order (2017) (\$ million)**

	Initial Budgets			Rate Order
	Budget FY2022	Forecast FY2023	Forecast FY2024	Approved Forecast FY2017
<i>Forecasted Sales (GWh)</i>	15,865	14,931	14,118	17,268
<b>Fuel &amp; Purchased Power<sup>1</sup></b>	<b>1,566</b>	<b>1,620</b>	<b>1,612</b>	<b>1,937</b>
Fuel	767	838	819	1,117
Purchased Power	799	782	793	820
<b>CILT &amp; Subsidies<sup>1</sup></b>	<b>248</b>	<b>249</b>	<b>245</b>	<del>489</del> <b>226</b>
<b>Transmission &amp; Distribution</b>	<b>639</b>	<b>629</b>	<b>584</b>	<del>923</del> <b>924</b>
Operating Expenditures <sup>2</sup>	515	502	448	<del>707</del> <b>708</b>
Non-Federally Funded Capital	124	127	136	216
<b>Generation<sup>3</sup></b>	<b>288</b>	<b>279</b>	<b>255</b>	<b>267</b>
<b>Other<sup>4</sup></b>	<b>256</b>	<b>206</b>	<b>215</b>	<del>97</del> <b>98</b>
<b>Total</b>	<b>2,997</b>	<b>2,983</b>	<b>2,911</b>	<del>3,413</del> <b>3,452</b>

Notes:

<sup>1</sup> Update of Fuel & Purchased Power, and CILT & subsidies provided by PREPA, using methodologies consistent with the 2020 PREPA Fiscal Plan, as discussed in key assumptions within Section 2.2.

<sup>2</sup> Operating expenditures do not include Shared Services.

<sup>3</sup> LUMA has included an allocation for the Generation Budget aligned with the 2017 Rate Order and historical allocations. Please refer to Appendix F. Generation includes Shared Services provided by LUMA to GenCo of \$78 million, \$79 million, and \$80 million for FY 2022-2024, respectively.

<sup>4</sup> Other includes Bad Debts, PREPA Legacy, Bankruptcy and Advisor Costs, LUMA Fees and 2% Reserve for Excess Expenditures. Please refer to Schedule 5.1 and 5.3 for further information.

## Initial Budgets

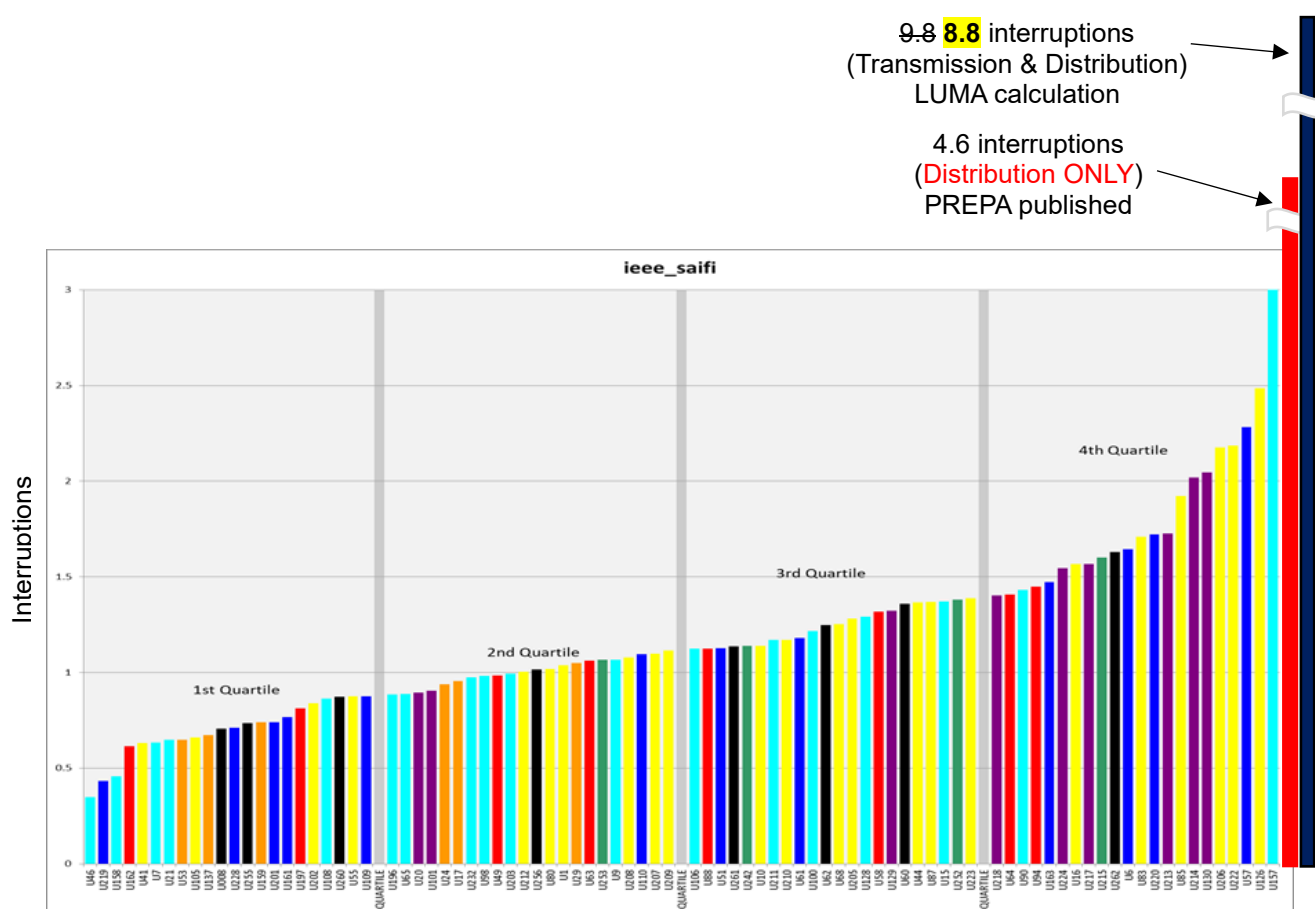
## 2. Performance Metric Information in Appendix C.3

LUMA identified a typographical error in Appendix C.3 that impacts one line of text and one figure. The Year End 2019 SAIFI as calculated by LUMA was stated to be 9.8 but the actual value is 8.8.

Revised information is summarized below, in **yellow highlight**.

Appendix C.3 - Page 85: “As shown in Figures C-2 and C-3 below, PREPA’s 2019 SAIDI is 1,097 minutes and SAIFI is **9.8-8.8** occurrences as calculated by LUMA using PREPA data and industry best practices.”

Revised Figure C-3. IEEE 2020 SAIFI Benchmark Report –PREPA Comparison





## Initial Budgets

## Appendix 1 – Attachment 1 from Final Resolution and Order dated January 10, 2017

Attachment 1: Determination of Total Revenue Requirement and Change<sup>1</sup> in Base Rates

Puerto Rico Electric Power Authority  
Determination of Total Revenue Requirement and Change in Base Rates  
(Thousands of Dollars)

Commission Attachment 1  
Page 1 of 1

Line No.	Description	PREPA Proposed FY2017 (A)	Commission Adjustments (B)	Total Adjusted Results (C)	Base Rates: Commission Adjusted Results (D)	Adjusted FY2017 Fuel and Purchase Power Adjustor Revenue & Expense (E)
1	Operating Expenses					
2	Fuel	\$ 655,968	\$ 461,305	\$ 1,117,273		\$ 1,117,273
3	Purchased Power	\$ 819,907	\$ -	\$ 819,907		\$ 819,907
4	Generation Expenses	\$ 122,411	\$ 30,549	\$ 152,960	\$ 152,960	
5	Transmission Expenses	\$ 34,222	\$ 3,914	\$ 38,136	\$ 38,136	
6	Distribution Expenses	\$ 169,277	\$ 19,004	\$ 188,281	\$ 188,281	
7	Customer Billing Expenses	\$ 84,945	\$ 389	\$ 85,334	\$ 85,334	
8	Administrative and General Expenses	\$ 148,897	\$ (16,602)	\$ 132,295	\$ 132,295	
9	Bad Debt Expense	\$ 85,384	\$ 12,000	\$ 97,384	\$ 97,384	
10	Energy Administration Assessment	\$ 5,800	\$ (5,800)	\$ -	\$ -	
11	Subtotal Operating Expenses	\$ 2,126,811	\$ 504,759	\$ 2,631,570	\$ 694,390	\$ 1,937,180
12						
13	Subsidies					
14	Energy Administration Assessment		\$ 5,800	\$ 5,800	\$ 5,800	
15	Contribution to Municipalities (CILT)	\$ 51,784	\$ -	\$ 51,784	\$ 51,784	
16	Public Lighting	\$ 93,241	\$ -	\$ 93,241	\$ 93,241	
17	Special Customer Subsidies	\$ 75,071	\$ (37,170)	\$ 37,901	\$ 37,901	
18	Subtotal Subsidies	\$ 220,096	\$ (31,370)	\$ 188,726	\$ 188,726	
19						
20	Debt Service (Principal & Interest)	\$ 314,390	\$ -	\$ 314,390	\$ 314,390	
21	Debt Service Coverage		\$ 125,756	\$ 125,756	\$ 125,756	
22	Subtotal Debt Service and Coverage	\$ 314,390	\$ 125,756	\$ 440,146	\$ 440,146	
23						
24	Ratepayer Funding of Capital Expenditures	\$ 336,558	\$ (183,096)	\$ 153,462	\$ 153,462	
25						
26	Subtotal PREPA Base Rate Revenue Requirement	\$ 2,997,855	\$ 416,049	\$ 3,413,904	\$ 1,476,724	
27						
28	Revenue and Other Income					
29	Other Income	\$ (38,925)	\$ -	\$ (38,925)	\$ (38,925)	
30	Fuel and Purchased Power Adjustor Revenue	\$ (1,658,287)	\$ (461,305)	\$ (2,119,592)	\$ (182,412)	\$ (1,937,180)
31	Base Rate Revenue at Current Rates	\$ (1,078,387)	\$ -	\$ (1,078,387)	\$ (1,078,387)	
32	Subtotal Revenue and Other Income	\$ (2,775,599)	\$ (461,305)	\$ (3,236,904)	\$ (1,299,724)	\$ (1,937,180)
33						
34	PREPA Base Rate Revenue Deficiency (Excess)	\$ 222,256	\$ (45,256)	\$ 177,000	\$ 177,000	\$ -
35						
36	PREPARC Securitization (Transition Charge) Revenue Requirement - Note [b]:					
37	Debt Service for Securitization	\$ 394,237	\$ -	\$ 394,237		
38	Gross-Up for Collections Lag and Uncollectible Revenue	\$ 109,027	\$ -	\$ 109,027		
39	PREPARC (SPV) Revenue Requirement	\$ 503,264	\$ -	\$ 503,264		
40						
41	Total PREPA and PREPARC Revenue Requirements	\$ 3,501,119 (a)	\$ 416,049	\$ 3,917,168		

## Notes and Sources

Col.A: PREPA Schedule A-1 REV with reclassification of selected items for presentation clarity

[a] PREPA shows this amount on its Schedule A-1 REV net of PREPA's Other Income:

Total PREPA and PREPARC Revenue Requirements	\$ 3,501,119	Line 40
Other Income	\$ (38,925)	Line 28
Total PREPA and PREPARC Revenue Requirements per PREPA	\$ 3,462,194	PREPA Schedule A-1 REV

[b] The method for determining the PREPARC revenue requirement for the new securitized bonds to be issued and the method for determining the Transition Charge rates related to that was addressed and approved by the Commission in Case No. CESP-AP-2016-0001.

Col.B: See Commission Attachment 2 for a summary of adjustments and Commission Attachment 3 for additional details.

Cols. D and E: The Commission has determined that PREPA's fuel and purchased power expenses will be collected through the fuel and purchased power adjustors.

# Initial Budgets

## Appendix 2 – Attachment 1 from Revisions made in the March 8, 2017 Final Resolution:



### Attachment 1 Revised: Determination of Total Revenue Requirement and Change in Base Rates

Puerto Rico Electric Power Authority  
Determination of Total Revenue Requirement and Change in Base Rates  
(Thousands of Dollars)

Commission Attachment 1 REV  
Page 1 of 1  
Revised

Line No.	Description	PREPA Proposed FY2017 (A)	Commission Adjustments (B)	Total Adjusted Results (C)	Base Rates: Commission Adjusted Results (D)	Adjusted FY2017 Fuel and Purchased Power Adjustor Revenue & Expense (E)	Adjusted FY2017 CILT & Subsidy Pass-Through Adjustor Revenue & Expense (F)
1	<b>Operating Expenses</b>						
2	Fuel	\$ 655,968	\$ 461,305	\$ 1,117,273		\$ 1,117,273	
3	Purchased Power	\$ 819,907	\$ -	\$ 819,907		\$ 819,907	
4	Generation Expenses	\$ 122,411	\$ 30,509	\$ 152,960	\$ 152,960		
5	Transmission Expenses	\$ 34,222	\$ 3,914	\$ 38,136	\$ 38,136		
6	Distribution Expenses	\$ 169,277	\$ 19,004	\$ 188,281	\$ 188,281		
7	Customer Billing Expenses	\$ 84,945	\$ 389	\$ 85,334	\$ 85,334		
8	Administrative and General Expenses	\$ 140,897	\$ (16,662)	\$ 124,235	\$ 124,235		
9	Bad Debt Expense	\$ 85,384	\$ 13,100	\$ 98,484	\$ 98,484		
10	Energy Administration Assessment	\$ 5,800	\$ (5,800)	\$ -	\$ -		
11	<b>Subtotal Operating Expenses</b>	<b>\$ 2,126,811</b>	<b>\$ 505,859</b>	<b>\$ 2,632,670</b>	<b>\$ 695,490</b>	<b>\$ 1,937,180</b>	<b>\$ -</b>
12							
13	<b>Subsidies</b>						
14	Energy Administration Assessment		\$ 5,800	\$ 5,800			\$ 5,800
15	Contribution to Municipalities (CILT)	\$ 51,784	\$ -	\$ 51,784			\$ 51,784
16	Public Lighting	\$ 93,241	\$ -	\$ 93,241			\$ 93,241
17	Special Customer Subsidies	\$ 75,071	\$ (129)	\$ 74,942			\$ 74,942
18	<b>Subtotal Subsidies</b>	<b>\$ 220,096</b>	<b>\$ 5,671</b>	<b>\$ 225,767</b>	<b>\$ -</b>		<b>\$ 225,767</b>
19							
20	Debt Service (Principal & Interest)	\$ 314,390	\$ -	\$ 314,390	\$ 314,390		
21	Debt Service Coverage		\$ 125,756	\$ 125,756	\$ 125,756		
22	<b>Subtotal Debt Service and Coverage</b>	<b>\$ 314,390</b>	<b>\$ 125,756</b>	<b>\$ 440,146</b>	<b>\$ 440,146</b>		
23							
24	Ratepayer Funding of Capital Expenditures	\$ 336,558	\$ (183,096)	\$ 153,462	\$ 153,462		
25	<b>Subtotal PREPA Base Rate Revenue Requirement</b>	<b>\$ 2,997,855</b>	<b>\$ 454,190</b>	<b>\$ 3,452,045</b>	<b>\$ 1,289,098</b>	<b>\$ 1,937,180</b>	<b>\$ 225,767</b>
26							
27	<b>Revenue and Other Income</b>						
28	Other Income	\$ (38,925)	\$ -	\$ (38,925)	\$ (38,925)		
29	Fuel and Purchased Power Adjustor Revenue	\$ (1,698,287)	\$ (278,093)	\$ (1,976,380)	\$ (1,976,380)	\$ (1,937,180)	
30	CILT and Subsidy Pass Through Revenue	\$ (225,767)	\$ -	\$ (225,767)			\$ (225,767)
31	Non-Fuel Base Rate Revenue at Current Rates	\$ (1,078,387)	\$ -	\$ (1,078,387)	\$ (1,078,387)		
32	<b>Subtotal Revenue and Other Income</b>	<b>\$ (2,775,599)</b>	<b>\$ (564,660)</b>	<b>\$ (3,280,259)</b>	<b>\$ (1,117,312)</b>	<b>\$ (1,937,180)</b>	<b>\$ (225,767)</b>
33							
34	<b>PREPA Base Rate Revenue Deficiency (Excess)</b>	<b>\$ 222,256</b>	<b>\$ (50,470)</b>	<b>\$ 171,786</b>	<b>\$ 171,786</b>	<b>\$ -</b>	<b>\$ -</b>
35							
36	<b>PREPARC Securitization (Transition Charge) Revenue Requirement - Note [b]:</b>						
37	Debt Service for Securitization	\$ 394,237	\$ -	\$ 394,237			
38	Gross-Up for Collections Lag and Uncollectible Revenue	\$ 109,027	\$ -	\$ 109,027			
39	<b>PREPARC (SPV) Revenue Requirement</b>	<b>\$ 503,264</b>	<b>\$ -</b>	<b>\$ 503,264</b>			
40							
41	<b>Total PREPA and PREPARC Revenue Requirements</b>	<b>\$ 3,501,119</b>	<b>\$ 454,190</b>	<b>\$ 3,955,309</b>			
42							

#### Notes and Source

ColA: PREPA Schedule A-1 REV with reclassification of selected items for presentation clarity

[a] PREPA shows this amount on its Schedule A-1 REV net of PREPA's Other Income:

Total PREPA and PREPARC Revenue Requirements	\$ 3,501,119	Line 40
Other Income	\$ (38,925)	Line 28
Total PREPA and PREPARC Revenue Requirements per PREPA	\$ 3,462,194	PREPA Schedule A-1 REV

[b] The method for determining the PREPARC revenue requirement for the new securitized bonds to be issued and the method for determining the Transition Charge rates related to that was addressed and approved by the Commission in Case No. CEPR-AP-2016-0001.

ColB: See Commission Attachment 2 for a summary of adjustments and Commission Attachment 3 for additional details.

ColC: Shows the adjusted results before separating amounts into base rates, fuel and purchased power rider and "Subsidy Rider" for cost recovery.

ColD: Shows the adjusted base rate revenue requirement and revenue deficiency.

ColE: The Commission has determined that PREPA's fuel and purchased power expenses will be collected through the fuel and purchased power adjusters.

ColF: The Commission has determined that the subsidy amounts listed on Attachment 4 REV will be collected in a "Subsidy Rider."

*Exhibit B* (excel sheet with Revised Schedule 5.6 to LUMA's Initial Budgets, sent via email)