

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

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| <p><b>NEPR</b></p> <p><b>Received:</b></p> <p><b>Apr 30, 2021</b></p> <p><b>9:53 PM</b></p> |
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IN RE: REVIEW OF LUMA'S  
INITIAL BUDGETS

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

**SUBJECT: Submission of Presentation for Technical  
Conference.**

**MOTION SUBMITTING PRESENTATION FOR TECHNICAL CONFERENCE**

**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 April 20, 2021, this honorable Puerto Rico Energy Bureau (“Bureau”) issued a Resolution and Order that sets a procedural calendar in this proceeding (“April 20<sup>th</sup> Order”).
2. Among others, in the April 20<sup>th</sup> Order this Bureau directed that by April 29, 2021, the presentation to be offered during the virtual technical conference scheduled in this proceeding should be filed.
3. On April 29, 2021, LUMA requested a brief extension of time until today, April 30, 2021 at 4:00 pm, to file for the record the Power Point™ presentation to be offered in the technical conference to be held in this proceeding. On even date, this Energy Bureau issued a Resolution and Order that granted LUMA until today, at 12:00 md, to submit the aforementioned presentation.
4. Earlier today, LUMA submitted its portion of the presentation to be offered in the technical conference.

5. With this Motion, LUMA hereby submits the presentation on Generation Budget to be offered by the Puerto Rico Electric Power Authority (“PREPA”). It is respectfully submitted that due to ongoing works and efforts in preparation for the technical conference and other Bureau proceedings, it was not possible to submit this presentation earlier today.

**WHEREFORE**, LUMA respectfully requests that this Bureau **take notice** of the aforementioned and **accept** the presentation on Generation Budget to be offered by PREPA during the technical conference.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 30<sup>th</sup> 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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*Exhibit 1*



**Puerto Rico  
Electric Power  
Authority**

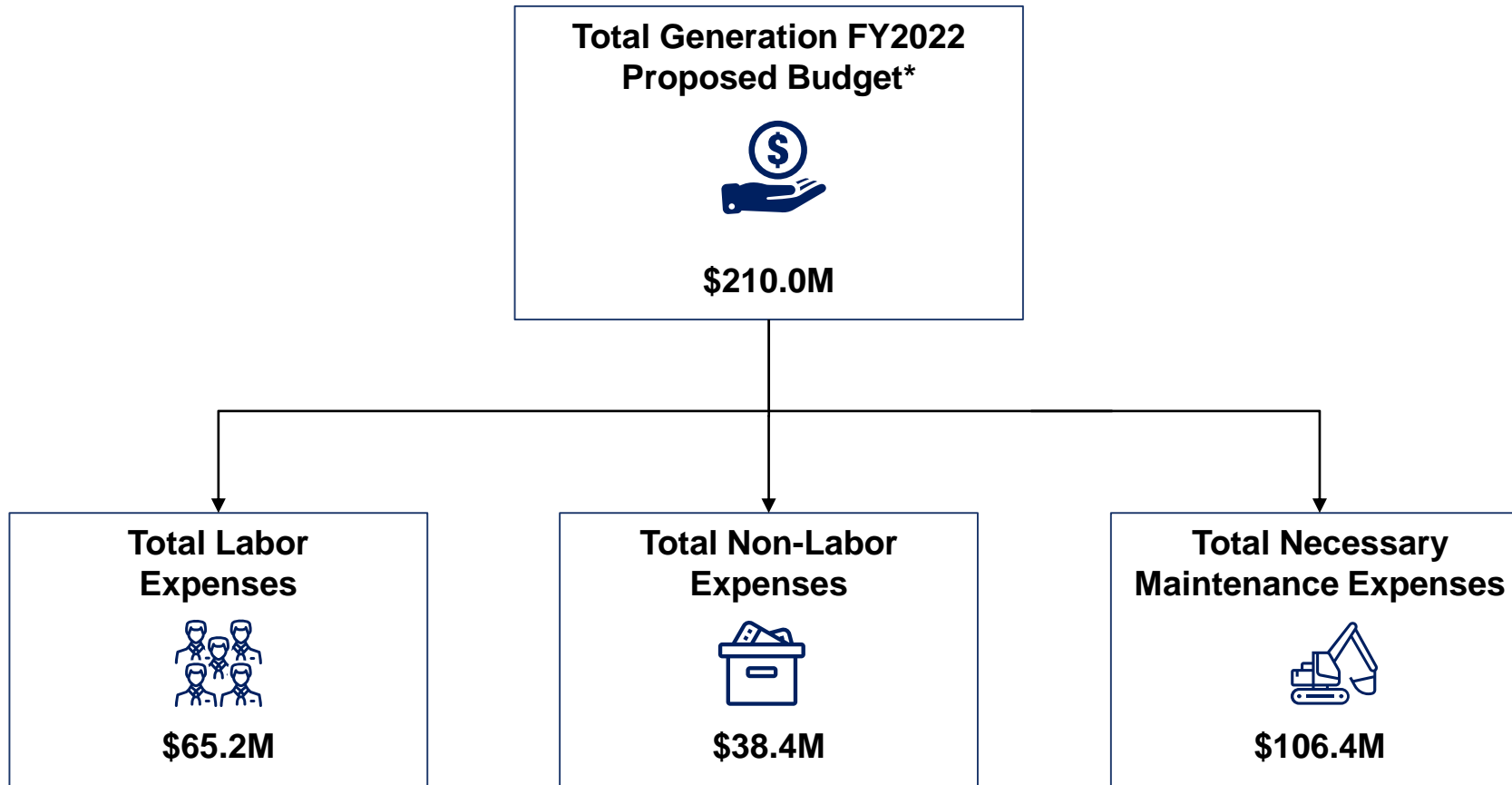
# **Puerto Rico Electric Power Authority (PREPA)**

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**Proposed FY2022 Generation Budget  
April 30, 2021**

# FY2022 Generation Budget Overview

FY2022 Budget Expenditures for Generation has three major components:  
1) Labor Expenses, 2) Non-Labor Expenses, and 3) Necessary Maintenance Expenses



\* Before considering fuel costs for PREPA plants and before considering Shared Services costs intended to cover administrative support and other functions (such as HR, IT, Finance) currently performed by non-Generation directorates for the benefit of the Generation directorate



# Generation Directorate Labor Expense and Non-Labor Expense

## Generation Directorate Labor Expense

| Description                       | # of Positions | Salaries & Wages    | Pension & Benefits<br>(Based on Actuals, 55.3%) | Overtime Pay<br>(Based on Actuals, 31.6%) | Overtime Benefits<br>(Based on Actuals, 11.4%) | Total Labor         |
|-----------------------------------|----------------|---------------------|---|---|--|---------------------|
| Generation Directorate            | 1,007          | \$32,670,736        | \$18,052,711                                    | \$10,328,778                              | \$1,175,831                                    | <b>\$62,228,055</b> |
| New Temporary Employees           | 35             | \$1,535,113         | -   | -   | -  | -                   |
| New Emergency Employees           | 85             | \$3,364,099         | -   | -   | -  | -                   |
| Security Personnel                | 17             | \$1,170,880         | -   | -   | -  | -                   |
| Expected Retirements (30+ Years)* | (78)           | (\$3,136,591)       | -   | -   | -  | -                   |
| <b>Total</b>                      | <b>1,066</b>   | <b>\$35,604,236</b> | <b>\$18,052,711</b>                             | <b>\$10,328,778</b>                       | <b>\$1,175,831</b>                             | <b>\$65,161,556</b> |

## Generation Directorate Non-Labor Expense

|              | Materials & Supplies | Transportation, Per Diem & Mileage | Utilities & Rents  | Professional & Technical Services | Other Miscellaneous Expenses | Total Non-Labor     |
|--------------|----------------------|------------------------------------|--------------------|-----------------------------------|------------------------------|---------------------|
| <b>Total</b> | <b>\$18,000,000</b>  | <b>\$1,500,000</b>                 | <b>\$1,949,876</b> | <b>\$5,000,000</b>                | <b>\$12,000,000</b>          | <b>\$38,449,876</b> |

## Management Notes

- Labor and non-labor was calculated using FY21 actual + projected spend
- Generation Directorate's Other Miscellaneous Expenses includes as-needed on-demand maintenance service agreements to support generating stations

\*Note: expected retirements use a half year convention assuming retirements will occur evenly during the year (full cost of the 78 expected retirements is 2x the budget reduction amount)



# Generation Necessary Maintenance Expense (NME) Summary

## Generation Directorate FY2022 Planned Maintenance Outage Schedule

| Outage(s)                            | Jul-21 | Aug-21 | Sept-21 | Nov-21 | Dec-21 | Jan-22 | Feb-22 | March-22 | April-22 | May-22 | June-22 |
|--------------------------------------|--------|--------|---------|--------|--------|--------|--------|----------|----------|--------|---------|
| Palo Seco U4 Environmental Outage    | ■      |        |         |        |        |        |        |          |          |        |         |
| San Juan Unit 5 Major Outage         |        |        | ■       |        |        |        |        |          |          |        |         |
| San Juan Unit 8 Environmental Outage |        |        |         |        | ■      |        |        |          |          |        |         |
| Aguirre Unit 1 Major Outage          |        |        |         |        | ■      |        |        |          |          |        |         |
| San Juan Unit 6 Combustor Inspection |        |        |         |        |        |        |        | ■        |          |        |         |

## Breakdown by Generating Stations

| Description                                   | Proposed FY 21-22 Budget |
|---|--------------------------|
| San Juan                                      | \$44,240,000             |
| Aguirre                                       | \$22,300,000             |
| Generation Division                           | \$11,648,568             |
| Palo Seco                                     | \$9,775,000              |
| Mayaguez                                      | \$5,000,000              |
| Costa Sur                                     | \$3,700,000              |
| Cambalache                                    | \$3,655,000              |
| Hydrogas Units                                | \$3,100,000              |
| Hydroelectric Units                           | \$1,500,000              |
| Peaking Units                                 | \$970,000                |
| Public Irrigation, Dams & Reservoirs Division | \$500,000                |
| <b>Total</b>                                  | <b>\$106,388,568</b>     |

## Management Notes

- Investments proposed in generating stations are strictly to keep the reliable operations of the generating units but are not intended to place the generating units in optimal conditions
- Over 80% of the FY2022 necessary maintenance expenses are concentrated in 5 areas: San Juan, Palo Seco, Generation Directorate, Aguirre Steam, Mayaguez
- A total of 92 projects have been identified across all generation sites



# Generation Budget Summary *(before Shared Services and Fuel)*

