



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

2021 MAY 25 PM 3: 28

<p>IN RE: REVIEW OF T&amp;D OPERATOR's SYSTEM OPERATION PRINCIPLES</p>	<p>CASE NO. NEPR-MI-2021-0001</p> <p>SUBJET:</p> <p>Revisions to LUMA's System Operating Principles Plan Filing and request of additional documentation.</p>
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**COMMENTS TO LUMA's SYSTEM OPERATION PRINCIPLES**

**TO THE ENERGY BUREAU:**

Now comes Instituto de Competitividad y Sostenibilidad Económica de Puerto Rico (ICSE) represented by appearing counsel and respectfully alleges and prays:

1. May 26, 2021 is the final date for General Public comments on the Captioned matter.

2. LUMA's filing reflect a systematic analysis that suggests technical competence; acknowledge the challenges involved in taking over and remediating a system which has not been maintained, and which has engendered distrust and animosity among the public.

3. At the same time, LUMA's filing lacks a clear Law 17 based analysis which is the macro-conceptual framework for PREPA's and LUMA's operation.

4. The operating principles LUMA has proposed are incomplete. LUMA's System Operation Principles (SOP) describe only how the Bulk Power System Operates. This ignores how the Distribution System operates, and so ignores the fundamental

requirements of Act 17; namely, the need to develop a Modern Integrated Grid<sup>1</sup>, and the need to empower Prosumers.<sup>2</sup> In order to correct this critical deficiency, the PREB should insist that LUMA add the following two principles to its SOP:

1. Empowering Prosumers.

Empowering Prosumers captures the essential public policy intent of Act 17, which is to equip consumers with the informational and other resources which will allow them to become prosumers; that is, “Any user or consumer of the Electrical System that has the capacity to generate electric power for its own consumption and, in turn with the capacity to supply any surplus of energy through the electrical network” [Section 1.6 4)]. This principle will guide LUMA, producers, consumers and prosumers to Act 17 complaint initiatives that may include the following:

- a. Making metering and billing data available to consumers to support efficient decisions about consumption and possible investment in a broad menu of distributed energy resources (DER: energy efficiency improvements, demand response capability, distributed generation). Consumer access to such data could be provided through an on-line data portal through which consumers can download data associated with their accounts in spreadsheet format. More ambitious development might involve the development of a decision support system that allows consumer to model various DER options using their metering and billing histories to evaluate economic feasibility.

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<sup>1</sup> Act 17-2019, Section 1.6 1. The Modern Integrated Grid was described by Electric Power Research Institute. See, *The Integrated Grid: Realizing the Full Value of Central and Distributed Energy Resources*, (2014).

<sup>2</sup> Ibid., Section 1.6 2.

b. Providing on bill financing options to help consumers pay for new DER investments.

c. Streamlining interconnection procedures to help consumers interconnect distributed generators.

2. Integrating Distributed Energy Resources.

Integrating DER will focus LUMA, actors and stakeholders in regulatory proceedings on initiatives that build back better a modern integrated grid; that is, a grid which integrates growing volumes of distributed energy reliably and safety. Such actions should include the following:

a. Implementing bottoms-up planning methods, which will allow LUMA to target investments needed to manage the two-way flow of power and related data in the Modern Integrated Grid. Bottoms-up planning tools also will allow LUMA to optimize the design of microgrids and/or Minigrids.

b. Introducing streamlined interconnection procedures on distribution circuits that have been identified (via bottoms upload simulations) as able to accommodate additional distributed generation capacity without the need for additional reinforcement.

c. Developing interconnection standards for distributed generators (e.g., requiring the use of smart inverters, addressing the operation of distributed generators during system excursions).

5. In this sense, LUMA's filing is not in accordance with the modified IRP, which is the specific legal mandated implementation process, both, procedural and substantive for PREPA's/LUMA's operation.

6. The modified IRP was a specific rejection of PREPA's original IRP, which was not compliant with Act 17 of 2019 due to the emphasis by PREPA on nonrenewable, non distributed energy, and certainly not prosumer centered modern grid.

7. LUMA has no choice, conceptually nor legally, but to fully apply and base its operating principles on Law 17, the modified IRP and PREB's prior mandates and to work with the PREB, the Puerto Rico Government and the Federal Government to plan and budget federal reconstruction moneys in accordance with the approved IRP, operating principles and budgets.

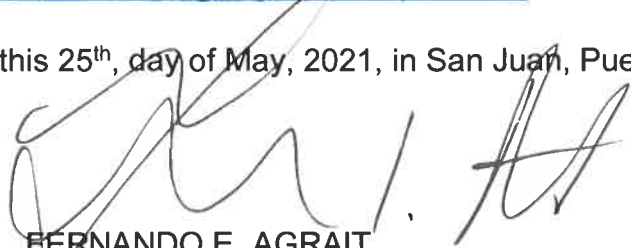
In summary, the SOP which LUMA has proposed suggest it intends to build and operate a conventional grid, one which relies exclusively on central station (bulk power) resources. Adding the two principles we propose will help to re-orient LUMA to the kind of Modern Integrated Grid which Puerto Rico needs and wants, as required by Act 17.

WHEREFORE, it is respectfully requested from the PREB to receive this motion and instruct LUMA to comply with the IRP, Law 17 and prior PREB orders.

CERTIFICATE OF SERVICE I hereby certify that, on this same date, we have filed this motion to: kbolanos@diazvaz.law, jmarrero@diazvaz.law and margarita.mercado@us.dlapiper.com, [Elias.sostre@aes.com](mailto:Elias.sostre@aes.com), [jesus.bolinaga@aes.com](mailto:jesus.bolinaga@aes.com), [cfl@mcvpr.com](mailto:cfl@mcvpr.com); [ivc@mcvpr.com](mailto:ivc@mcvpr.com); [notices@sonnedix.com](mailto:notices@sonnedix.com); [leslie@sonnedix.com](mailto:leslie@sonnedix.com); [victorluisgonzalez@yahoo.com](mailto:victorluisgonzalez@yahoo.com); [tax@sunnova.com](mailto:tax@sunnova.com); [jcmendez@reichardescalera.com](mailto:jcmendez@reichardescalera.com); [r.martinez@fonroche.fr](mailto:r.martinez@fonroche.fr); [gonzalo.rodriguez@gestampren.com](mailto:gonzalo.rodriguez@gestampren.com); [kevin.devlin@patternenergy.com](mailto:kevin.devlin@patternenergy.com); [fortiz@reichardescalera.com](mailto:fortiz@reichardescalera.com); [jeff.lewis@terraform.com](mailto:jeff.lewis@terraform.com); [mperez@prrenewables.com](mailto:mperez@prrenewables.com); [cotero@landfillpr.com](mailto:cotero@landfillpr.com), [geoff.biddick@radiangen.com](mailto:geoff.biddick@radiangen.com), [hjcruz@urielrenewables.com](mailto:hjcruz@urielrenewables.com), [carlos.reyes@ecoelectrica.com](mailto:carlos.reyes@ecoelectrica.com); [brent.miller@longroadenergy.com](mailto:brent.miller@longroadenergy.com); [tracy.deguise@everstreamcapital.com](mailto:tracy.deguise@everstreamcapital.com); [h.bobea@fonrochepr.com](mailto:h.bobea@fonrochepr.com); [ramonluisnieves@rlnlegal.com](mailto:ramonluisnieves@rlnlegal.com); [hrivera@oipc.pr.gov](mailto:hrivera@oipc.pr.gov); [info@sesapr.org](mailto:info@sesapr.org); [yan.oquendo@ddec.pr.gov](mailto:yan.oquendo@ddec.pr.gov); [acarbo@edf.org](mailto:acarbo@edf.org); [pjcleanenergy@gmail.com](mailto:pjcleanenergy@gmail.com); [nicolas@dexgrid.io](mailto:nicolas@dexgrid.io); [javrua@gmail.com](mailto:javrua@gmail.com); [JavRua@sesapr.org](mailto:JavRua@sesapr.org); [lmartinez@nrdc.org](mailto:lmartinez@nrdc.org); [thomas.quasius@aptim.com](mailto:thomas.quasius@aptim.com); [rtorbert@rmi.org](mailto:rtorbert@rmi.org); [tjtorres@amscm.com](mailto:tjtorres@amscm.com); [lionel.orama@upr.edu](mailto:lionel.orama@upr.edu); [noloseus@gmail.com](mailto:noloseus@gmail.com); [aconer.pr@gmail.com](mailto:aconer.pr@gmail.com); [dortiz@elpuente.us](mailto:dortiz@elpuente.us); [wilma.lopez@ddec.pr.gov](mailto:wilma.lopez@ddec.pr.gov); [gary.holtzer@weil.com](mailto:gary.holtzer@weil.com); [ingridmvila@gmail.com](mailto:ingridmvila@gmail.com); [rstgo2@gmail.com](mailto:rstgo2@gmail.com); [agc@agcpr.com](mailto:agc@agcpr.com); [presidente@ciapr.org](mailto:presidente@ciapr.org);

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RESPECTFULLY SUBMITTED this 25<sup>th</sup>, day of May, 2021, in San Juan, Puerto Rico.



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