

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

**NEPR**

**Received:**

**Jul 16, 2021**

**12:00 AM**

**IN RE:**

**IN RE: REVIEW OF THE PUERTO RICO  
ELECTRIC POWER AUTHORITY'S 10  
YEAR INFRASTRUCTURE PLAN-  
DECEMBER 2020**

**CASE NO. NEPR-MI-2021-0002**

**SUBJECT: Submission of Corrected LUMA  
Presentation at Technical Conference of July 11,  
2021 and Request for Approvals of Matters  
Presented during the Technical Conference**

**MOTION SUBMITTING CORRECTED LUMA PRESENTATION AT  
TECHNICAL CONFERENCE OF JULY 11, 2021 AND REQUESTING APPROVALS OF  
MATTERS PRESENTED AND PROPOSED DURING THE TECHNICAL  
CONFERENCE**

**TO THE PUERTO RICO ENERGY BUREAU:**

**COME NOW LUMA Energy, LLC** (“ManagementCo”)<sup>1</sup>, and **LUMA Energy ServCo, LLC** (“ServCo”)<sup>2</sup>, (jointly referred to as “LUMA”), through the undersigned legal counsel and respectfully submit the following:

1. On December 30, 2021, the Puerto Rico Electric Power Authority (“PREPA”) filed with this Puerto Rico Energy Bureau (“Energy Bureau”) the 10-Year Infrastructure Plan that it had submitted to the Federal Emergency Management Agency (“FEMA”). *See* Case No. NEPR-MI-2020-00016.

2. On January 25, 2021, the Energy Bureau issued a Resolution and Order in the instant case (“January 25<sup>th</sup> Order”) ordering PREPA to revise the PREPA 10-year Infrastructure Plan December 2020 (“10-Year Plan”) to comply with the approved Integrated Resource Plan and

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<sup>1</sup> Register No. 439372.

<sup>2</sup> Register No. 439373.

Modified Action Plan.<sup>3</sup> In compliance with the January 25 Order, on February 16, 2021, PREPA filed a revised 10-Year Plan, and subsequently, on March 19, 2021 submitted another revised 10-Year Plan (“March 2021 Revised 10-Year Plan”).

3. On March 26, 2021, this Energy Bureau issued a Resolution and Order (“March 26<sup>th</sup> Order”) ordering PREPA to revise the March 2021 Revised 10-Year Plan to address issues raised in the March 26<sup>th</sup> Order. In addition, among other things, the Energy Bureau ordered PREPA “to submit to the Energy Bureau each new capital investment project [...] and] [f]or projects to be funded with [Federal Emergency Management Agency (“FEMA”)] funds and/or any other federal funds, [...] to] submit the specific projects to the Energy Bureau at least thirty (30) calendar days prior to its submittal to [the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency (“COR-3”)], FEMA and/or any other federal agency.” March 26<sup>th</sup> Order at page 19.

4. In connection with FEMA 428 funds, in the March 26<sup>th</sup> Order, this Energy Bureau also ordered PREPA to “continue reporting to the Energy Bureau and FEMA, within the next five (5) years, the progress of all ongoing efforts related to the final approval of the submitted projects not yet approved by the Energy Bureau.” *Id.* Furthermore, in the March 26<sup>th</sup> Order, the Energy Bureau ordered PREPA to submit, within five (5) calendar days from the notification of the March 26<sup>th</sup> Order any specific transmission line projects, transmission substation projects, and distribution substation projects it has submitted to FEMA for its evaluation and approval. *Id.*

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<sup>3</sup> Both as approved by Final Resolution and Order issued by the Energy Bureau on August 24, 2020 in Case No. CEPR-AP-2018-0001, *In Re: Review of the Integrated Resources Plan of the Puerto Rico Electric Power Authority*.

5. On April 14, 2021 and in compliance with the March 26<sup>th</sup> Order, the Puerto Rico Electric Power Authority (“PREPA”) filed a motion (“April 14<sup>th</sup> Motion”) with the Energy Bureau submitting a list of projects under the categories of transmission, distribution, and substations that would be submitted for approval by FEMA and/or COR-3.

6. On April 22, 2021, this Energy Bureau issued a Resolution and Order (“April 22<sup>nd</sup> Order”) determining that additional information was required for the Energy Bureau to make a thorough evaluation of the projects submitted by PREPA in its April 14<sup>th</sup> Motion and to evaluate PREPA’s compliance with the March 26<sup>th</sup> Resolution. *See* April 22<sup>nd</sup> Order, at page 2.<sup>4</sup>

7. Thereafter, PREPA filed with this Energy Bureau the project files that had been submitted to FEMA and COR-3. *See* Motion in Compliance with Resolution and Order issued on April 22, 2021, filed by PREPA on April 28, 2021 and May 4, 2021. In addition, on May 20, 2021, PREPA filed with the Energy Bureau a motion requesting an extension of forty-five (45) days to provide the details on the one hundred and eighty-five (185) projects included in its April 14<sup>th</sup> Motion, which request was granted by the Energy Bureau by Resolution and Order of June 8, 2021.

8. Also on June 8, 2021, this Energy Bureau issued another Resolution and Order (“June 8<sup>th</sup> Order”) whereby it approved sixty-five (65) projects that PREPA had submitted for

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<sup>4</sup> The information required for each project in the April 22<sup>nd</sup> Order was: (a) Project description (i.e., name, location, line number, voltage level, customer count, critical load); (b) justification; (c) detailed scope of work; (d) detailed Class S cost estimate, broken down on the different cost items; (e) assessment (include all details of the existing conditions, violations to codes and standards, photos, etc.); (f) any drawing, schematic, layout or design; (g) schedule or timeline of completion; and (h) any additional information PREPA may have available that may serve for an adequate evaluation. *See* April 22<sup>nd</sup> Order, at page 2

consideration in connection with the Revised 10-Year Infrastructure Plan<sup>5</sup> and ordered PREPA to: (a) submit copy of the approval by COR-3 and/or FEMA of these projects, including the costs obligated for each project, within ten (10) days of receipt of the approval; (b) provide the Energy Bureau with the actual contracted cost for construction for each project approved within ten (10) days from the execution of the contract, and (c) inform the Energy Bureau once the projects are completed. *See* June 8<sup>th</sup> Order, at page 3.

9. On June 15, 2021, LUMA filed a Motion in Compliance with June 8<sup>th</sup> Resolution and Order and Request for Technical Workshop (“June 15<sup>th</sup> LUMA Motion”). Among others, LUMA explained that the list of the one-hundred and thirty-two (132) Transmission and Distribution projects (“T&D projects”) in PREPA’s short list of projects outlined in the 10-year Infrastructure Plan, was being used by LUMA in connection with the short-term projects being processed with FEMA and COR-3.

10. In the June 15<sup>th</sup> LUMA Motion, LUMA also indicated that the mentioned one hundred thirty two (132) T&D projects were included in the program briefs of the Initial Budgets and referenced Attachment 1 to its Response Number 9 to the Requests for Information issued by the Energy Bureau in the technical conference held in Case No. NEPR-MI-2021-0004 on LUMA’s proposed Initial Budgets, (TC-RFI-LUMA-MI-21-0004-210503-PREB-009, Attachment 1, filed on May 7, 2021, Case No. NEPR-MI-2021-0004). *See* June 15<sup>th</sup> Motion, at page3. LUMA also requested that a Technical Workshop be convened to discuss future processes on projects to be

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<sup>5</sup> Subsequently, by Resolution Nunc Pro Tunc of June 11, 2021 the Energy Bureau made some corrections to this list.

submitted to FEMA and COR-3 and timing and review for filing updates including timeline for approvals by this Energy Bureau. *Id.*

11. On July 2, 2021, this honorable Energy Bureau issued a Resolution and Order granting LUMA's request to hold a conference in this proceeding ("July 2<sup>nd</sup> Order") and convened a Technical Conference to be held on July 12, 2021 at 9:30 a.m., "to discuss the streamlining of the work involved in the submittal of the [Scopes of Work] ("SOWs") and other information requested by the Energy Bureau for its evaluation." *See* July 2<sup>nd</sup> Order, at page 2.

12. In the July 2<sup>nd</sup> Order, the Energy Bureau also directed that LUMA would have five days to file "(i) a list of the remaining projects [that] requir[e] Energy Bureau approval . . . [and] will be submitted to FEMA and COR[-]3; and (ii) any updates or revisions to the March 2021 Revised 10-Year Plan." *Id.*, p. 3.

13. On July 6, 2021, LUMA and PREPA jointly filed an update to the 10-Year Infrastructure work plan. *See* Joint Motion Submitting Updated 10-Year Infrastructure Work Plan. On July 6, 2021, LUMA also filed a motion with the Energy Bureau requesting relief from the July 6<sup>th</sup> deadline for filing detailed SOWs. *See* Request for Relief from the July 6<sup>th</sup> Deadline for Filing Detailed Scopes of Work.

14. In compliance with the July 2<sup>nd</sup> Order, on July 7, 2021, LUMA filed a motion submitting, as Exhibit 1, a list itemizing the original 132 T&D projects, and their updated status. *See* Motion Submitting List of Projects and Twenty-Eight Scopes of Work ("July 7<sup>th</sup> Moton"). LUMA presented 37 approved projects and 103 projects awaiting approval for a total of 140 projects. *Id.* In the July 7<sup>th</sup> Motion, LUMA also explained that it continues its federally funded planning, and it anticipates to add approximately fifteen (15) projects to this list. *Id.*

15. In the July 7<sup>th</sup> Motion, LUMA also submitted, as Exhibit 2, the SOWs for twenty-eight (28) T&D projects for this Energy Bureau's thirty (30) day review and approval prior to submittal to COR-3 and/or FEMA, as per the March 26<sup>th</sup> Order.

16. LUMA filed an amended list of projects on July 9, 2021.

17. Also on July 9, 2021, LUMA filed with this Energy Bureau the presentation to be provided by LUMA in the Technical Conference scheduled for July 12, 2021 (the "Presentation").

18. On July 12, 2021, LUMA staff appeared at the Technical Conference, which was conducted virtually, and gave the Presentation, describing the process for the review, approval and oversight of activities related to federally funded T&D projects by the Energy Bureau, COR-3 and FEMA and proposing the establishment of a systematic, efficient and effective approach to be applied for all federally funded work to establish a common understanding with this Energy Bureau with respect to the information to be submitted and timing of submissions, provide transparency of the process and work being proposed and provide this Energy Bureau ongoing review of the progress of work. *See* Presentation, at page 3. LUMA also discussed the associated reporting requirements and estimated submittal timeline. *Id.*

19. During the Technical Conference LUMA representatives made verbal corrections of certain minor or typographical errors in the Presentation, and LUMA requested leave to submit a corrected version of the Presentation after the Technical Conference, which was granted by this honorable Energy Bureau. Accordingly, attached to this motion, as Exhibit 1, is the revised version of the Presentation ("Revised Presentation"). The corrections included in the Revised Presentation are the following: (a) in slide 6, the definition of the grey box provided in the bottom right area of the slide was changed from "Activities eligible for federal funding" to "Activities now eligible for

federal funding”; (b) in slide 8, a typographical error in the text contained in the blue rectangle, second sentence, was corrected to eliminate the word “minimal”; (c) in slide 16, a typographical error in the date set forth in the top of the third column of table titled “Mapping to previous filings” was corrected by changing the date from April 9<sup>th</sup> to May 7<sup>th</sup>; and (d) in slide 18, a typographical error in the date set forth in the bulleted sentence under “Quarter 1 Focus” was corrected by changing the date from June 7<sup>th</sup> to July 7<sup>th</sup>, and a typographical error in the fourth sentence from top to bottom was corrected by changing the word “one” with “once”.

20. During the Presentation, LUMA identified the following four major stages of the process: Project Definition Phase, Approval Phase, Development Phase and Detailed Engineering and Execution Phase. During the Project Definition Phase, LUMA will prepare the basic project information (referred to as “Initial SOW”) sufficient to meet the COR-3/FEMA requirements for provision of a FEMA project number. *See* Exhibit 1, slide 4. During the Approval Phase, this Initial SOW will be submitted to the Energy Bureau. Within thirty (30) days the Bureau will review and approve the projects prior to submittal to COR-3/FEMA. Afterwards the project will be submitted to COR-3/FEMA to obtain a FEMA number assignment. After a FEMA number has been assigned, then the necessary engineering design work will be conducted to further refine the scope, cost and schedule of the project with the intent of preparing a detailed SOW for COR-3/FEMA’s review and confirmation that the project may proceed through the procurement and construction phase (all of this occurring during the Development and Detailed Engineering and Execution Phases). *See id.*, slide 5.

21. During the Presentation, LUMA also explained that if the project is not assigned a FEMA project number any costs already incurred in developing the project information for

submittal to FEMA/COR-3 are at a higher risk of not being eligible for federal funding, and, as a result, such costs would need to be recovered through rates. To minimize impacts on ratepayers, LUMA's proposed approach is to develop Initial SOWs capturing the basic information required to ensure that LUMA obtains a FEMA project number, thereby ensuring minimal cost recovery exposure. *See id.*, slide 8. These Initial SOWs will be submitted to the Energy Bureau for review and approval. A model SOW for these Initial SOWs was included in the Presentation submitted on July 9th. *Id.*, slide 10 and pdf pages 24-38. This same form was used for the submittal of the SOWs for twenty-eight (28) projects submitted by LUMA to the Energy Bureau in LUMA's July 7<sup>th</sup> Motion.

22. During the Presentation, LUMA also discussed the Federal Funding reporting required to be conducted under the Initial Budgets docket and LUMA's proposal that it be on a quarterly basis so that it aligns with other reporting required in connection with the Initial Budgets, approved by the Energy Bureau by Resolution and Order of May 31, 2021 in Case No. NEPR-MI-2021-0004 ("May 31<sup>st</sup> Order"). *See id.*, slide 14.

23. A summary of LUMA's proposed reporting alignment, timing and frequency is included as Exhibit 2 to this Motion.

24. Under this proposal, LUMA would submit one comprehensive quarterly report for the three dockets ("Comprehensive Quarterly Report") as follows:

A. System Remediation Plan, Case NO. NEPR-MI-2020-0019:

1. Actual spending amounts per Portfolio reflecting in detail variances from the SRP filing.
2. Detailed timeline per portfolio.
3. Schedule status updates, and where behind schedule a comparison to the initial SRP timeframe, cause of delay and corrective actions implemented.



- B. Initial Budgets, as per the May 31<sup>st</sup> Order issued in Case No. NEPR-MI-2021-0004:
1. Actual spending amounts detailing variances from the Initial Budgets filing.
  2. Funding, withdrawals and outstanding balances in the Operating Budget, the Capital Budget and the Generation Budget Accounts.
  3. Federal Funding activity including cumulative and incremental funding (both applied for or received by) with source, and projects categorized by portfolio for new and those currently under review, along with agency review status.
- C. Federal Funding (NEPR-MI-2021-0002).

*Id.*

25. The quarterly reports would also provide a list of new FEMA Project SOW's expected to be submitted to the Energy Bureau during the next quarter. *Id.*

26. LUMA also respectfully submits that these quarterly reports would also include the following information: (A) Comparisons of actual to previously filed information, for Budgets (including Operating/Federally Funded and Non Federally Funded Capital), improvement programs and portfolios; and (B) ongoing updates for cost/schedule/scope of improvement programs and portfolios (including Federally Funded and Non-Federally Funded projects).

27. In addition, as part of this docket LUMA will continue to submit to the Energy Bureau the 90-day updated workplan for FEMA funding during the last month of every quarter as it is provided to FEMA.

28. LUMA respectfully submits that alignment of the reporting related to federal funding projects and quarterly cadence for the three dockets described above is preferable than separate and dispersed reporting in the three cases. Quarterly reporting allows for the use of better-quality information and a more complete picture of LUMA's activities, including providing direct

links between the programs to the various capital/operating budgets and activities. This reporting arrangement would also enable a direct link to LUMA organizational activities, information, and variances. The program reporting would tie to portfolio totals and federally funded capital budgets. Federally funded activity would be directly linked to improvement programs which include non-federally funded capital improvement programs and operational expenses. In contrast, dispersed reporting would provide for partial reporting and may not show significant change given that several of the steps of a project development and implementation take multiple months to complete.

29. LUMA also respectfully submits that the proposed comprehensive quarterly reporting creates efficiencies in the time and efforts of the LUMA teams to prepare the reports and in providing more consistency in the information included in the reports by avoiding potential contradictory information in the reports due to differences in timing.

30. On July 13, 2021, LUMA requested to file quarterly reports on SRP spending. *See* Request for Clarifications or Reconsideration of Portions of June 23<sup>rd</sup> Resolution and Order Approving LUMA's SRP, Case NO. NEPR-MI-2019-0019. LUMA respectfully requests alignment between reporting on federal funding activities in this docket, the SRP proceeding and Initial Budgets. LUMA may reproduce this request for quarterly filing on federal funding in the Initial Budgets docket No. NEPR-MI-2021-0004.

31. Based on the above, LUMA hereby respectfully requests this honorable Energy Bureau to take notice of and confirm whether it accepts the following matters or proposals set forth in the Presentation and Revised Presentation: (a) the project review, approval, development and execution process and associated requirements and the Energy Bureau's involvement in such

process described in the Presentation; (b) the model SOW included in the Presentation for future filings to be made by LUMA with the Energy Bureau for its approval of detailed information of each project; and (c) the proposed quarterly cadence for reporting and preparation of single comprehensive quarterly report to be filed in this docket and the Energy Bureau's dockets for the Initial Budgets and System Remediation Plan.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and **accept** (a) the project review, approval, development and execution process and associated requirements and the Energy Bureau's involvement in such process described in the Revised Presentation; (b) the model SOW included in the Revised Presentation for future filings to be made by LUMA with the Energy Bureau for its approval of detailed information of each project; and (c) the proposed quarterly cadence for reporting and preparation of single comprehensive quarterly report to be filed in this docket and the Energy Bureau's dockets for Initial Budgets, NEPR-MI-2021-0004 and SRP, NEPR-MI-2019-0019.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 15<sup>th</sup> day of July 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).



**DLA Piper (Puerto Rico) LLC**

500 Calle de la Tanca, Suite 401

San Juan, PR 00901-1969

Tel. 787-945-9107

Fax 939-697-6147

/s/ Margarita Mercado Echegaray

Margarita Mercado Echegaray

RUA NÚM. 16,266

[margarita.mercado@us.dlapiper.com](mailto:margarita.mercado@us.dlapiper.com)

/s/ Laura T. Rozas

Laura T. Rozas

RUA Núm. 10,398

[laura.rozas@us.dlapiper.com](mailto:laura.rozas@us.dlapiper.com)

*Exhibit 1*

Revised Presentation



# Federally Funded Projects Submission Process

NEPR-MI-2021-0002

July 12, 2021

# Agenda

- Objectives
- Process Overview
- Process Maps by Phase
- Quarterly Reporting
- Estimated Project Submittal Timeline
- Supplemental: Current Status of Projects

# Objectives

1. Present the proposed LUMA / FEMA process for the review, approval and oversight of activities related to federally funded T&D projects by the Energy Bureau, COR3 and FEMA
  2. Establish a systematic, efficient and effective approach to be applied for all federally funded project work that will:
    - Establish a common understanding of expectations (information to be submitted and timing of such submissions);
    - Provide the Energy Bureau transparency of the process and work being proposed; and
    - Provide PREB on-going view of the progress of work
  3. LUMA seeks the Energy Bureau's acknowledgment of the proposed process
- Additionally, LUMA is presenting supplemental information as way of an update of the current progress
    - The update is consistent with LUMA's Initial Budgets filing and the 90-Day Supplemental Update to FEMA





# Process Overview

- All Federally-Funded T&D Projects presented to date to the Energy Bureau were contemplated as part of the Programs Briefs presented in LUMA's initial Budgets and approved by the Energy Bureau.
- To initiate projects and ensure full cost recovery by FEMA, LUMA is developing Statement of Works (*Initial SOWs*) that captures basic project information sufficient to meet COR3/FEMA requirements for approval and the provision of a FEMA project number to enable the continuation of the specific project.
  - Prior to submitting to FEMA, LUMA will file with the Energy Bureau for its review
  - LUMA anticipates submitting projects in a systematic approach with consideration of resources to develop the SOW with a view of having a constant stream of projects at various stages of development



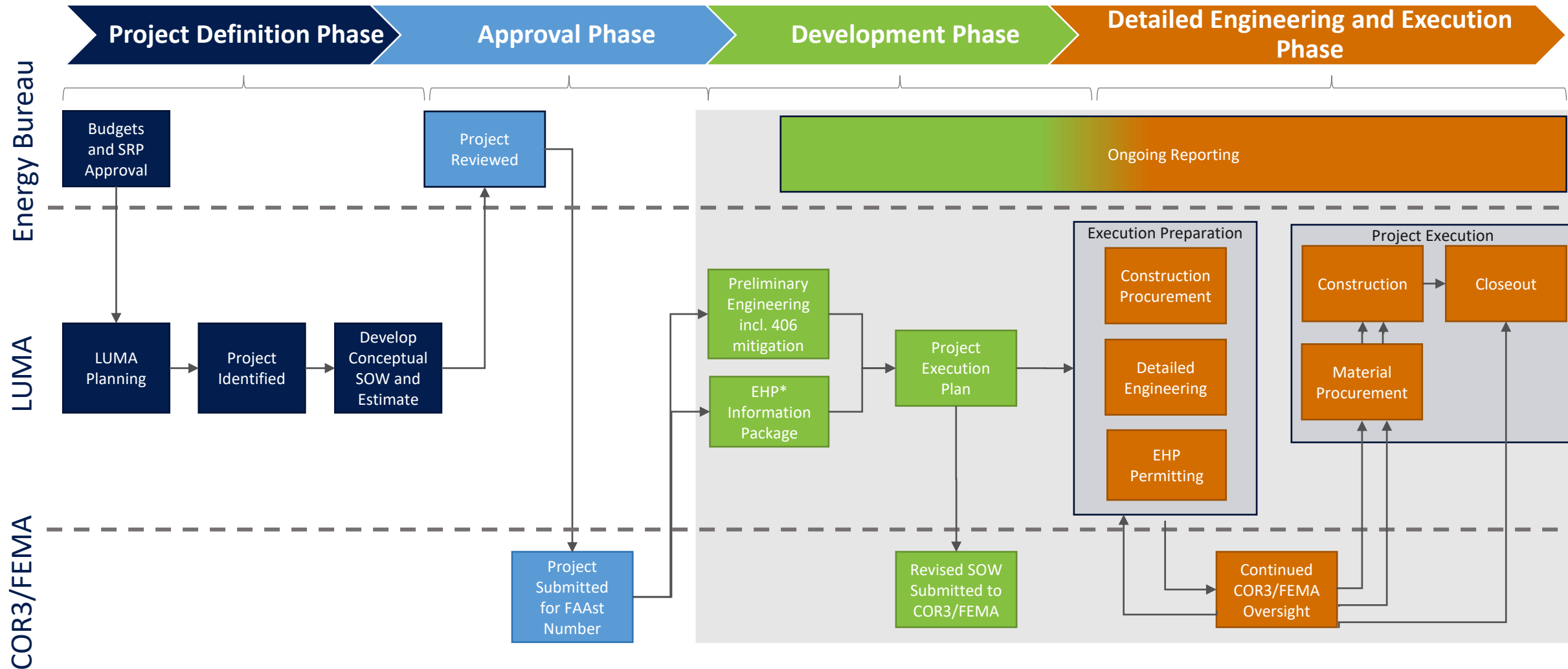
# Process Overview

(Continued)

- Once FEMA provides a project number, LUMA will undertake the necessary engineering design work to further define the project scope, cost and schedule with intent to develop a *Detailed SOW* for COR3/FEMA's review & confirmation that the project may proceed to through to the procurement and construction phase.
- Throughout the procurement and construction phase, COR3/FEMA will be providing on-going execution oversight at various project milestones – as agreed to in the *Detailed SOW*.
- Throughout the procurement and construction phase, LUMA will be providing the Bureau with periodic reports to enable the oversight of project execution



# Federally-Funded Project Approval/Review Process Map

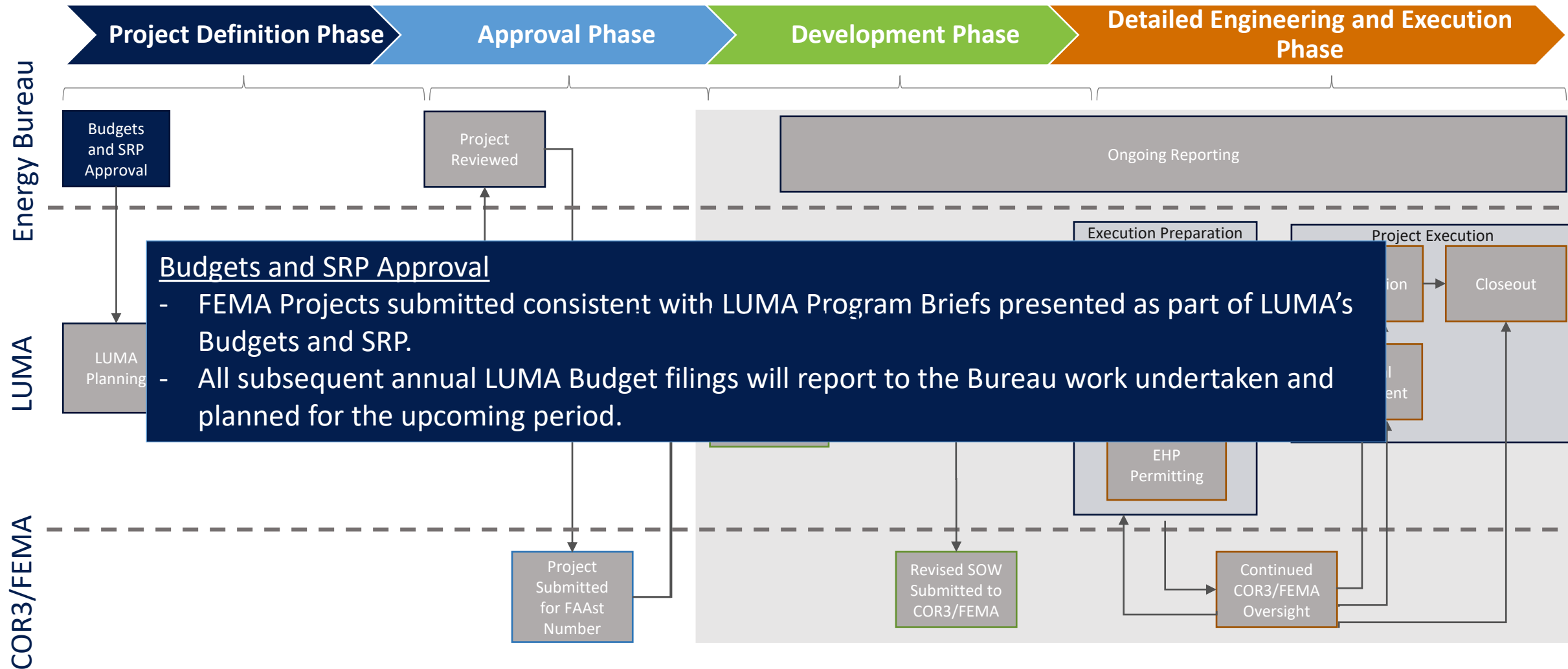


Activities **now** eligible for federal funding

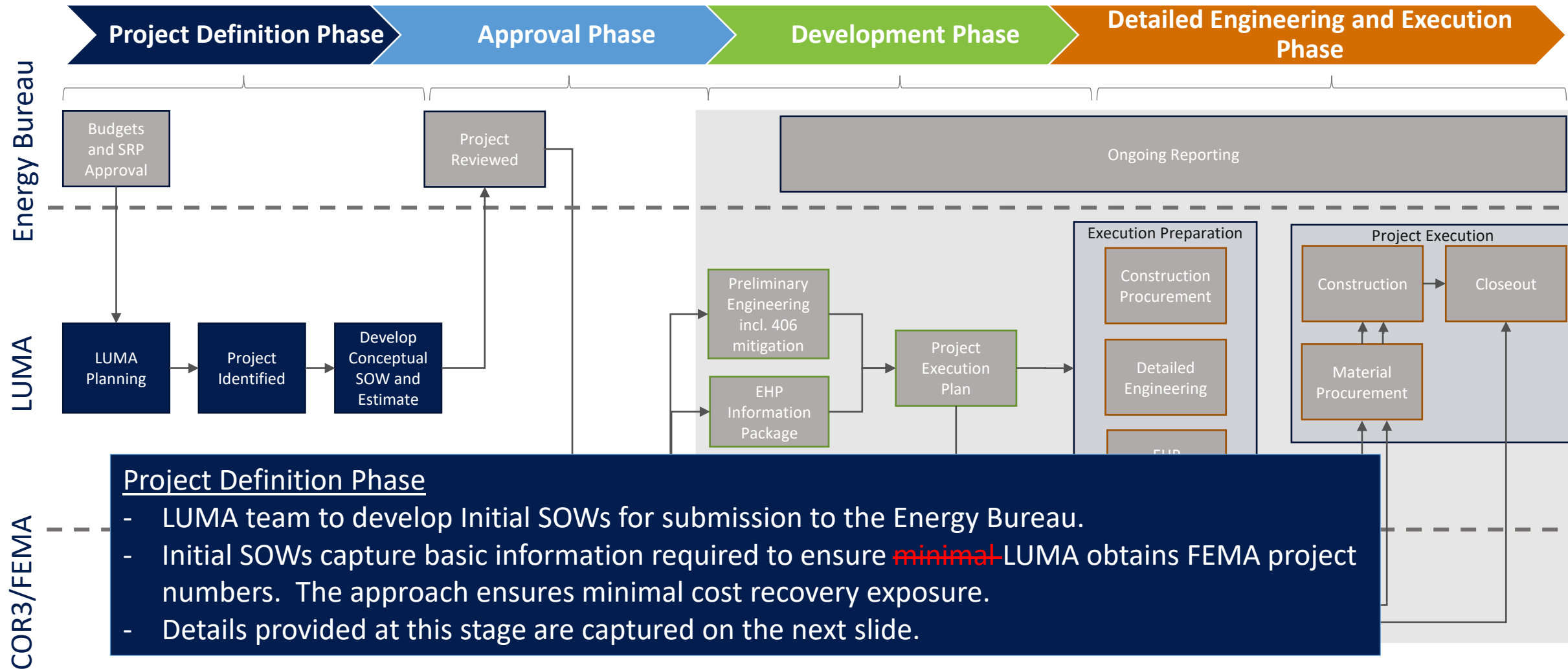


\*EHP = Environmental and Historical Preservation

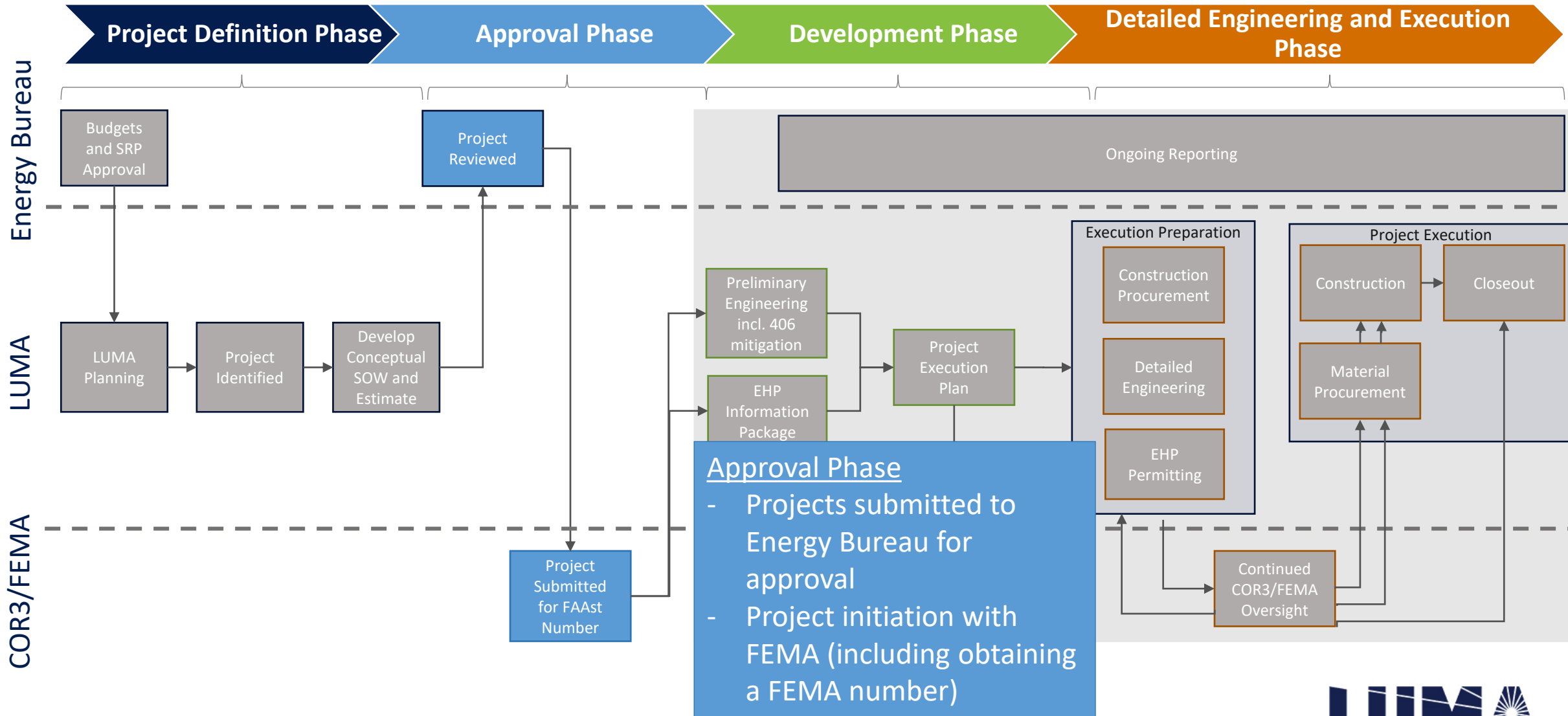
# Federally-Funded Project Approval/Review Process Map



# Federally-Funded Project Approval/Review Process Map



# Federally-Funded Project Approval/Review Process Map



# Details of the Initial Statement of Work

LUMA will comply with the Energy Bureau's direction to submit federally-funded projects to the Energy Bureau 30 days prior to submitting to COR3 and FEMA. Additionally, LUMA will ensure these projects are approved by the Energy Bureau before submitting to COR3 and FEMA.

## FEMA Project Scope of Work

**LUMA**

Doc. Name: FEMA Project Scope of Work  
Project Name: Distribution Feeders - Arecibo Short Term Group 1  
DR-4339-PR Public Assistance

**LUMA**

Contents

FEMA Project  
Approvals  
Overview  
Introduction  
Facilities  
Project Scope  
Preliminary  
Codes and  
Estimate  
406 Hazard  
Environment  
Attachments

**LUMA**

Doc. Name: FEMA Project Scope of Work  
Project Name: Distribution Feeders - Arecibo Short Term Group 1  
DR-4339-PR Public Assistance

**Overview**

Project Name:	Distribution Feeders - Arecibo Short Term Group 1
Project #:	10007
Region:	Arecibo
Project Sponsor:	Guaym Ngoyem
Project Manager:	Jaime Quinones
Damage Number:	250081
Damaged Inventory/Asset Category:	Island Wide Distribution
FEMA Project Number: (formerly Project Worksheet)	<provided by FEMA>

**Introduction**

The purpose of this document is to present and update a Project Scope of Work (SOW) with Cost Estimates to be submitted to COR3 and FEMA for projects under DR-4339-PR Public Assistance. The completed document will be reviewed by COR3 and FEMA to create and version a specific project worksheet and post filed cost estimates to repair, restore, or replace eligible facilities including Section 406 hazard mitigation for a specific project.

LUMA Energy provides the Operations and Maintenance of the electric service to the entire island of Puerto Rico. Puerto Rico Electric Power Authority (PREPA) is the agency that owns the facilities, sites, and systems identified in this Scope of Work that are eligible as critical services facilities as defined in the PAAP (Section 428) and BBA 2018 guidance documents.

This document will be updated with information developed during the initial design and engineering phase through the construction phase.

QMS Doc. ID: 51310 Rev. 0  
Project Doc No: 10007 DR-4339-PR-0001\_R001

Page 4 of 9

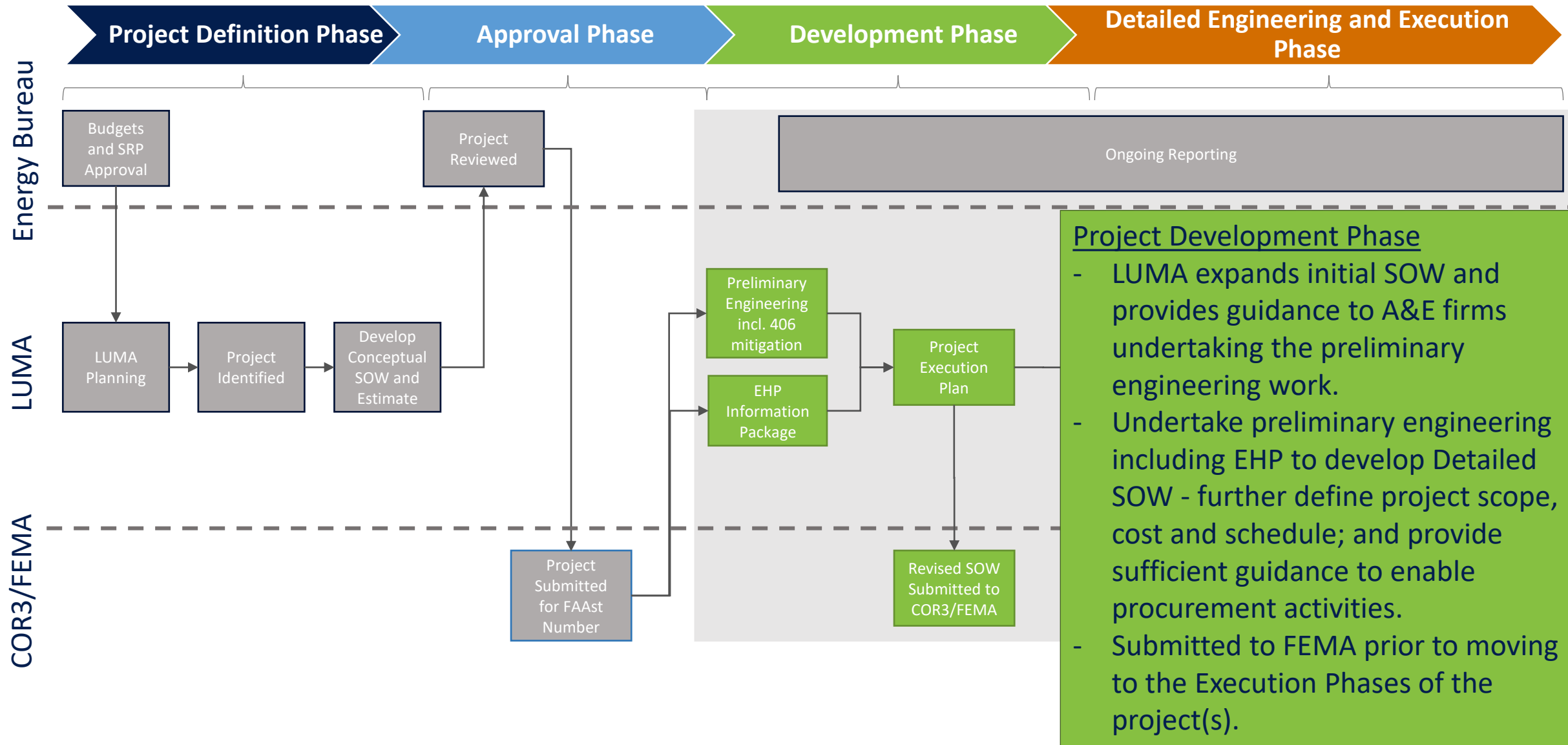
LUMA's FEMA Scope of Work Document submitted to the Energy Bureau will include:

- LUMA Approvals
- Project Overview
- Project Facilities
- Project Scope of Work (Initial / Conceptual)
- Codes and Standards
- Estimate (Level 5)
- Relevant Attachments

Certain required information outlined in the April 22<sup>nd</sup> Resolution and Order issued by the Energy Bureau may not be created prior to project initiation with FEMA.

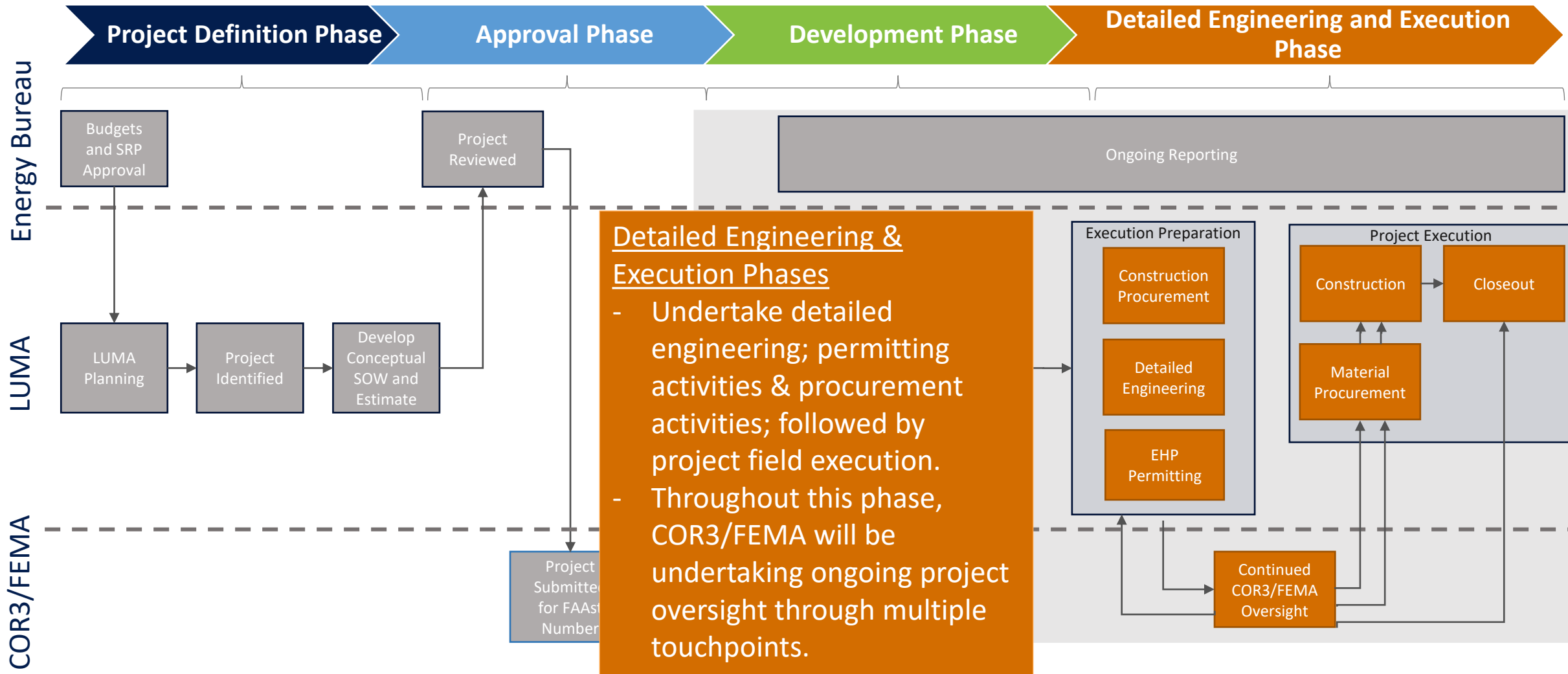


# Federally-Funded Project Approval/Review Process Map

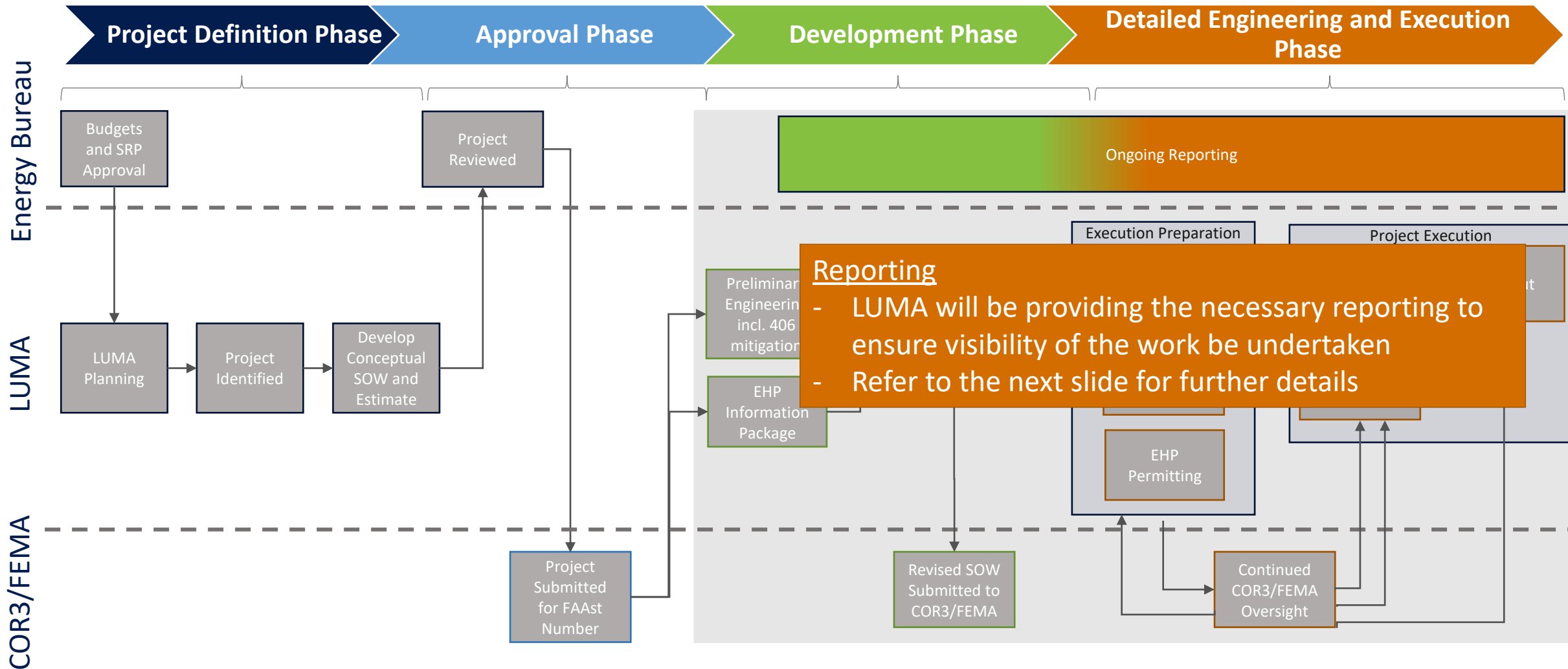




# Federally-Funded Project Approval/Review Process Map



# Federally-Funded Project Approval/Review Process Map



# Reporting

- **Within the Initial Budgets and the System Remediation Plan reporting requirements, multiple reports will be provided to the Energy Bureau which will contain the following data organized by Program Brief to fulfil requirements coming from:**
  1. System Remediation Plan (NEPR-MI-2020-0019) June 23, 2021 Resolution & Order:
    1. Actual spending amounts reflecting in detail variances from the SRP filing
    2. Detailed timeline per portfolio
    3. Schedule status updates, and where behind schedule a comparison to the initial SRP timeframe, cause of delay and corrective actions implemented
  2. Initial Budgets (NEPR-MI-2021-0004) May 31, 2021 Resolution & Order:
    1. Actual spending amounts detailing variances from the Initial Budgets filing
    2. Funding, withdrawals and outstanding balances in the Operating Budget, the Capital Budget and the Generation Budget Accounts
    3. Federal Funding activity including cumulative and incremental funding (both applied for or received by) with source, and projects categorized by portfolio for new and those currently under review, along with agency review status

**The Report will also provide a List of new FEMA Project SOW's expected to be submitted to the Energy Bureau during the next quarter.**

- **As part of this docket (NEPR-MI-2021-0002) LUMA will continue to submit the 90-day update to the FEMA Workplan**



# Supplemental Information – Current Progress



# Status of Projects

- As LUMA assumes responsibility for T&D FEMA projects post June 1, 2021, it continues to review and refine the initial list of projects submitted to the Energy Bureau by PREPA on March 26, 2021
  - This consists reorganizing projects within the original April 26<sup>th</sup> submission
  - The reorganization resulted in 139 projects currently contemplated
- Additionally, LUMA has begun project planning on approximately 15 projects, which will be provided ~~one-once~~ basic projects definitions have been created

## Mapping to previous filings

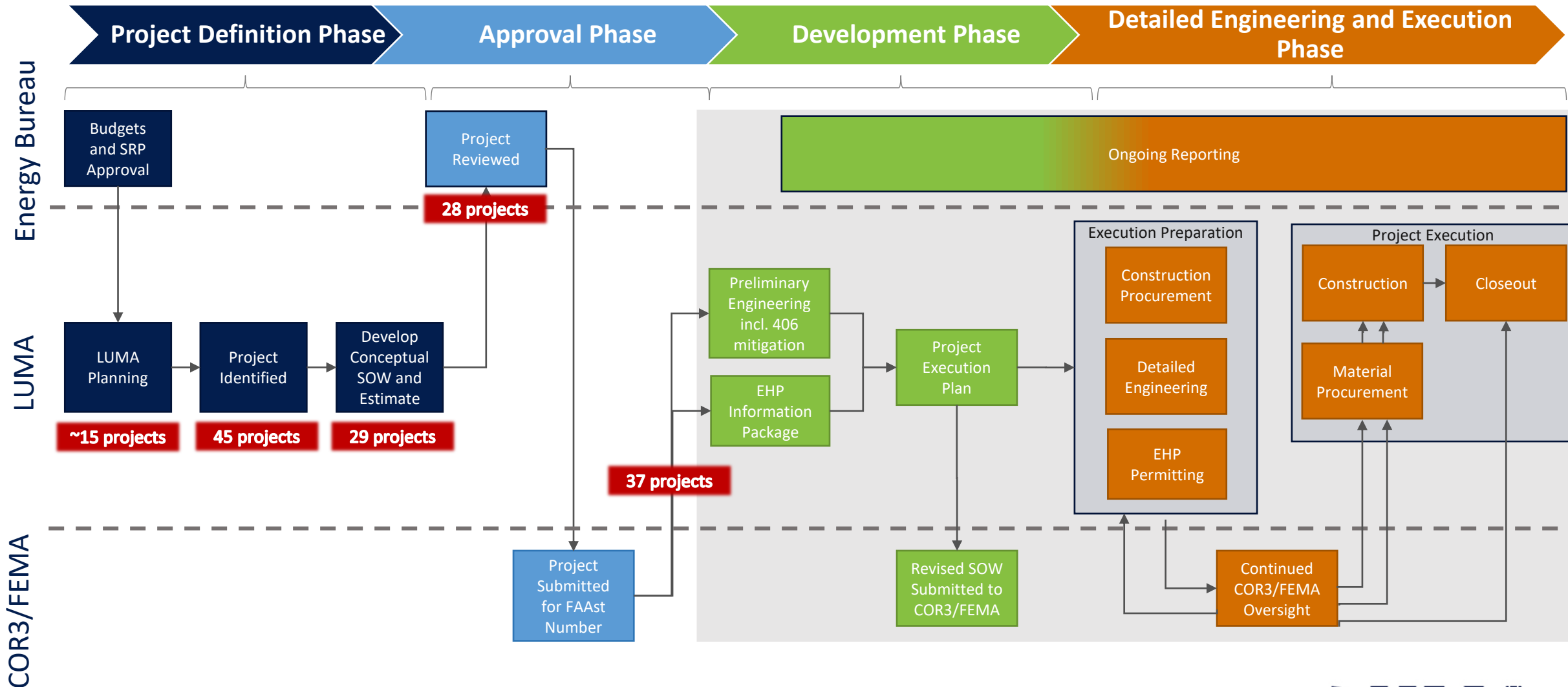
Category	April 14 <sup>th</sup>	May 7 <sup>th</sup> <del>April 9<sup>th</sup></del>	July 9 <sup>th</sup>
Transmission	43	43	38
Distribution	98	7	25
Substation	44	44	48
IT, Buildings & Environmental		38	28
<b>Total</b>	<b>185</b>	<b>132</b>	<b>139</b>

## Current Status of Projects

Project Status	As of July 9 <sup>th</sup>
Development (A&E) Phase	37
Approval Phase (Submitted to PREB)	28
Initial SOW Under Development	29
Project Initiation	45
<b>Total Defined Projects</b>	<b>139</b>
Project Planning	~15
<b>Total</b>	<b>154</b>

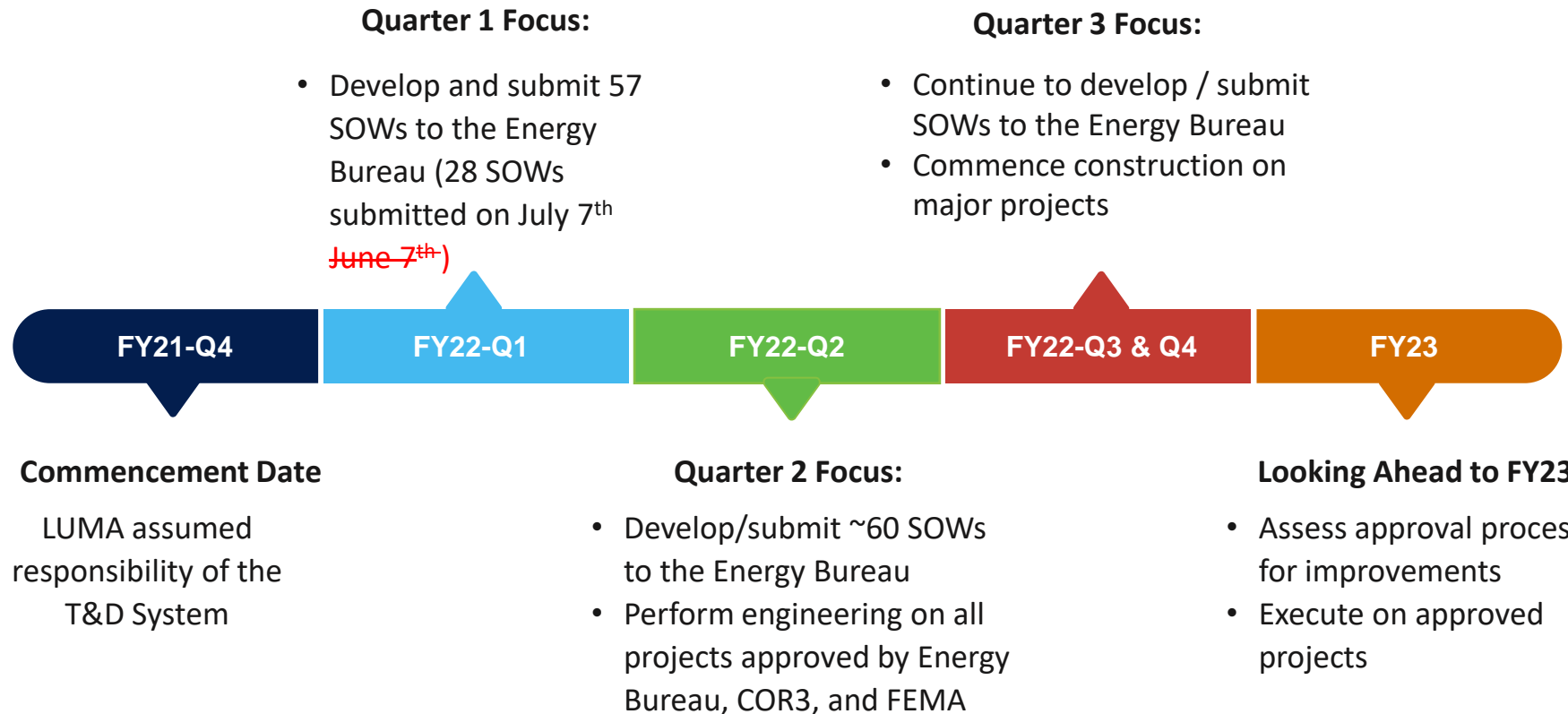


# Federally-Funded Project Approval/Review Process



# Estimated Project Submittal Timeline

LUMA has focused on defining the official process and templates for submitting scopes of work to the Energy Bureau, COR3 and FEMA for review that meets COR3 and FEMA requirements and standards.



# Closing Remarks and Next Steps

**LUMA would like to thank the Energy Bureau for the opportunity to participate in this session and establish an effective and efficient process for seeking approval on federally-funded projects. We look forward to collaborating with the Energy Bureau in this process.**

## *Next Steps*

### Federally-Funded Project Approval Process

- Receive feedback and achieve alignment with the Energy Bureau on the Federally-Funded Project Review/Approval Process
- Present process to COR3 / FEMA to ensure common understanding
- First quarterly reporting post September 2021

### Project Advancement

- Advancing 57 SOWs to PREB through end of Q1 FY 2022 – 28 submitted and 29 remain to be submitted
- Continue project initiation and planning of remaining 60 projects
- LUMA to continue to provide updates as projects advance through Project Definition Phase





*Exhibit 2*

Reporting Frequency

## Exhibit 2: Initial Budgets, System Remediation Plan and 10 Year Plan Reporting Summary

	FY 2022											
	Q1				Q2	Q3				Q4		
	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
<b>Initial Budgets</b>												
Quarterly Report												
Proposed Federal Funding Report												
FY23 Budget Process												
<b>System Remediation Plan</b>												
Proposed Quarterly Report												
Annual Update												
<b>10 Year Plan</b>												
Proposed Federal Funding Report												

Consolidated Quarterly  
Report submitted  
across dockets