

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

NEPR

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IN RE:

**PUERTO RICO TEST FOR DEMAND
RESPONSE AND ENERGY EFFICIENCY**

CASE NO.: NEPR-MI-2021-0009

**SUBJECT: LUMA's Comments to attachment A of
Energy Bureau's Resolution of July 2, 2021 and on
issues discussed during Technical Workshop of June
30, 2021**

**MOTION IN COMPLIANCE WITH ENERGY BUREAU'S RESOLUTION OF JULY 2,
2021 BY SUBMITTING LUMA'S COMMENTS TO ATTACHMENT A OF THAT
RESOLUTION AND COMMENTS ON ISSUES DISCUSSED DURING TECHNICAL
WORKSHOP OF JUNE 30, 2021**

TO THE PUERTO RICO ENERGY BUREAU:

COME NOW, LUMA ENERGY, LLC as Management Co., and **LUMA ENERGY
SERVCO, LLC** (together, LUMA), through their undersigned legal counsel and respectfully state
and request the following:

1. On May 14, 2021, this Puerto Rico Energy Bureau ("Energy Bureau") issued a Resolution and Order (the "May 14th Resolution") initiating the referenced proceeding to develop the Puerto Rico Benefit Cost Test ("PR Test") required under Section 2.01(B) of the Energy Bureau's Regulation for Demand Response of December 21, 2020, Regulation 9246, which proceeding also has the purpose of defining the PR Test under the Proposed Energy Efficiency Regulation issued by the Energy Bureau on April 22, 2021.

2. In its May 14th Resolution, the Energy Bureau indicated that it has adopted a five-step process (each a "Step" and collectively the "Steps") for developing a jurisdiction-specific cost-effectiveness test as per the National Standard Practice Manual ("NSPM") for Benefit-Cost Analysis of Distributed Energy Resources of August 2020 (the "NSPM Process") of which the

first step (“Step 1”) is to articulate applicable policy goals. *See* May 14th Resolution at page 5. The Energy Bureau also indicated it would schedule four (4) technical workshops to address each Step and obtain stakeholder input and ordered LUMA and the Puerto Rico Electric Power Authority (“PREPA”) to attend each workshop. *See id.*

3. In the May 14th Resolution, this Energy Bureau also requested comments from stakeholders on the list of policy goals related to Demand Response (“DR”) and Energy Efficiency (“EE”) necessary for Step 1, in accordance with the template set forth in Attachment B to the May 14th Resolution (“Attachment B”). *See id.* at page 5 and Attachment B. These comments were to be submitted before the first stakeholder workshop and on or before June 4, 2021. *See id.* at pages 6-7. In compliance with the May 14th Resolution, LUMA filed on June 4, 2021 its comments on the first Step of the NSPM Process using the template of Attachment B to the May 14th Resolution.

4. On June 16, 2021, this Energy Bureau issued a Resolution establishing the calendar for the Technical Workshops, which, among other things, scheduled the Technical Workshop for Step 1 for June 30, 2021 from 9:30 a.m. to 12:30 p.m. to be held virtually (the “June 30 Technical Workshop”). Accordingly, on June 30, 2021, LUMA staff appeared and participated in the June 30 Technical Workshop at the specified time.

5. On July 2, 2021, the Energy Bureau issued a Resolution (the “July 2 Resolution”) indicating that it had established a workbook, included as Attachment A to that resolution (“Attachment A”), for stakeholders to rank the policies discussed in the June 30 Technical Workshop and map those policies to the impact categories. In the July 2 Resolution, the Energy Bureau also granted stakeholders and LUMA until July 16, 2021 to provide comments to

Attachment A and provide general comments on the issues discussed in the June 30 Technical Workshop.

6. In compliance with the July 2 Resolution, LUMA hereby submits its comments to Attachment A, attached hereto as Exhibit 1, and LUMA's comments on certain issues discussed in the June 30 Technical Workshop, attached hereto as Exhibit 2.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **accept** and **consider** this filing of its comments to Attachment A to the July 2 Resolution, attached hereto as Exhibit 1, and LUMA's comments to certain issues raised in the June 30 Technical Conference in the referenced proceeding, attached hereto as Exhibit 2, and deem LUMA in compliance with the requirements of the July 2 Resolution.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 16th day of July 2021.

We certify that we filed this motion using the electronic filing system of the Puerto Rico Energy Bureau.



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Exhibit 1

*LUMA's Comments to Attachment A to the
Energy Bureau's Resolution and Order of July 2, 2021*

(Excel file submitted by Email)

Exhibit 2

Comments on Issues Discussed in Technical Workshop of June 30, 2021



Puerto Rico Test for Demand Response and Energy Efficiency

NEPR-MI-2021-0009

July 16, 2021

LUMA's Response to Questions for Group Discussion

QUESTIONS

1. Should the policies be ranked? Is there a hierarchy?
 - a. Is there one that dictates all others?
 - b. What are the key impacts we know need to be considered?
 - c. What is considered secondary?
2. Are any policies missing from table?
3. Do any policies not apply?
4. Do you agree with the categories and mapping of impacts?

RESPONSE

LUMA has completed the ranking table as requested and has made some minor edits in red text in the attached file. Lacking a clear objective basis for ranking these policies, LUMA ranked them simply based on their general legal hierarchy. Laws have greater authority than regulations, therefore LUMA ranked the Acts as “High” and the Regulations as “Medium.” While this was a useful exercise to advance our collective understanding of the policy environment as it pertains to DER, we do not believe that much weight should be placed on this ranking of policies. If an Impact Category is referenced in any one of these policies it should be deemed relevant to consider as a guiding principle for this process, regardless of the relative rank or quantity of policies that cite it. It must be noted that LUMA's ranking of these policies and associated legal provisions in no way reflects on LUMA's view of the importance or ranking of the cited laws and regulations with respect to other matters or in other contexts, and LUMA's exercise was focused on the Energy Bureau's directives for this particular test.

A valuable ranking exercise in later stages of this process might be for participants to determine the relative ranking of the *Impact Categories* (specifically in terms of their relevance and importance to DER program planning and cost-effectiveness evaluation). This ranking might help to determine the highest priorities for DER programs, to guide decision-making and trade-offs. The programs cannot do all things at once, so it is important to understand which impacts are the most important to design for.

This prioritization may also help to guide further research and development of the data/inputs for inclusion in the Puerto Rico Cost Test (PRCT). Many of the Impact Categories cannot actually be monetized for inclusion as a cost or benefit in a cost-effectiveness test (e.g. innovation). Other Impact Categories can be included eventually but the data is not yet available. This prioritization would help to determine the most important Impact Categories for further research and data collection, to allow for eventual direct inclusion in the PRCT.