

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

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

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

**SUBJECT:** Motion Requesting Clarification,  
Submitting Updated List of Transmission and  
Distribution Projects and Twenty-Nine  
Scopes of Work.

**RESOLUTION AND ORDER**

**I. Introduction**

On August 20, 2021, the Energy Bureau of the Puerto Rico Public Service Regulatory Board (“Energy Bureau”) issued a Resolution and Order (“August 20 Resolution”) through which it approved several Transmission and Distribution (“T&D”) projects presented by LUMA<sup>1</sup> that are to be submitted for federal funding approval to the Federal Emergency Management Agency (“FEMA”) and the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency (“COR3”).

On August 30, 2021, LUMA filed before the Energy Bureau a document titled *Motion Requesting Clarification of a Portion of the Energy Bureau’s Resolution and Order Entered on August 20, 2021 and Submitting Updated List of Transmission and Distribution Projects and Twenty-Nine Scopes of Work* (“August 30 Motion”). LUMA requested clarification on the text of the order in the second paragraph of page 3 of the August 20 Resolution. Also, LUMA stated that it completed the planning phase and project definition for twenty-nine (29) projects to be submitted to FEMA and COR3. LUMA included as Exhibit 1 to the Motion, an updated project list. Further, LUMA included as Exhibit 2 to the Motion the twenty-nine (29) Scopes of Work (“SOW”) for Transmission and Distribution (“T&D”) projects for the Energy Bureau’s review and approval.

Through the August 30 Motion, LUMA stated that as part of the filing, it has consolidated seven (7) projects with other SOWs and has added eight (8) new projects.

On August 31, 2021, the Energy Bureau issued a Resolution through which it addressed the request for clarification presented by LUMA in the August 30 Motion.

**II. Evaluation of the August 30 Motion**

Through the August 30 Motion, LUMA submitted twenty-nine (29) Project SOWs, which comprise projects related to the categories of Transmission, Distribution, Substations, IT/Telecom and Buildings. As part of the SOWs, LUMA included a Class 5 Cost Estimate for

<sup>1</sup> LUMA Energy, LLC, and LUMA Energy ServCo, LLC (collectively, “LUMA”).



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each project, which details materials, construction, labor and equipment, engineering, permitting, management, and contingencies. As explained in the SOWs, said cost estimates could deviate between -50% to +100% of the final project cost.

As part of the information provided by LUMA, the work to be performed on existing transmission lines is geared towards the repair, restoration, or replacement of damaged elements and functionally interdependent non-damaged elements of portions of the lines as allowed by FEMA Public Assistance Alternative Procedures (Section 428). Further, any replacements that may need to be performed will be done to comply with codes and standards. As part of the new projects submitted through the August 30 Motion, LUMA included projects directed to the replacement of transmission priority poles and structures at 38kV, 115 kV and 230kV. LUMA states that, under these projects, it will evaluate overhead facilities and document damaged poles or structures that are deemed to represent a serious safety hazard, violation of federal or local ordinance, and imminent equipment failures that could cause wide-spread power outages, and as a result require immediate repair or replacement.

Regarding distribution feeders, LUMA states that feeders will also undergo comprehensive distribution modeling, analysis, and simulation to validate planning criteria. LUMA also submitted new projects related to distribution, including a project directed to the replacement of distribution poles and conductors, and distribution streetlighting.

Upon review of the August 30 Motion, the Energy Bureau **DETERMINES** that the projects presented are necessary to improve the reliability of the system. Therefore, the Energy Bureau **APPROVES** the projects in Attachment A to this Resolution and Order. The Energy Bureau notes this approval represents \$3,885.17 MM based on the Class 5 Cost Estimates submitted by LUMA through the August 30 Motion.<sup>2</sup>

Regarding the SOWs submitted through the August 30 Motion for projects under the buildings category, the Energy Bureau deems necessary to gather additional information from LUMA before the evaluation can be completed. Therefore, the Energy Bureau **ORDERS** LUMA to attend a Technical Conference<sup>3</sup> to be held on **September 30, 2021, at 1:00 p.m.** LUMA shall be prepared to explain to the Energy Bureau:

1. The work to be performed under the SOWs related to the buildings category presented as part of the August 30 Motion.
2. The necessity of such work to provide reliability to the electric system.

<sup>2</sup> The Energy Bureau has approved a total of \$8,292.49 MM = \$4,407.32 MM + \$3,885.17 MM up to date based on the Class 5 Cost Estimates submitted by PREPA and LUMA as part of this process.

<sup>3</sup> In order to avoid the spreading of Covid-19, the Technical Conference will be held via the Microsoft Teams platform. The Energy Bureau will provide the login information through separate communication.



3. The differences between the cost estimate presented as part of the June 2021 Revised 10-Year Plan<sup>4</sup> and the cost estimate presented as part of the August 30 Motion.

### III. Conclusion

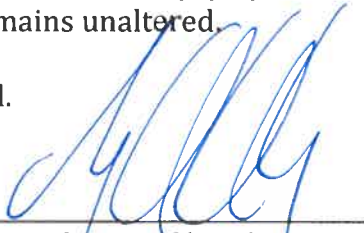
The Energy Bureau **APPROVES** the projects included as part of the **Attachment A** to this Resolution and Order which shall be presented to FEMA and COR3 to finalize its approval process. These projects were approved based on the information provided by LUMA, should the scope of the project change, LUMA **SHALL** immediately seek the Energy Bureau's approval of such changes.

The Energy Bureau **ORDERS** LUMA to (i) submit to the Energy Bureau copy of the approval by COR3 and/or FEMA of the projects in Attachment A, which shall contain the costs obligated for each project, **within ten (10) days of receipt of such approval**; (ii) provide the Energy Bureau the actual contracted cost to construct each project approved in the Attachment A, **within ten (10) days from the execution of the contract**; and (iii) inform the Energy Bureau once the projects are completed.

The Energy Bureau **ORDERS** LUMA to attend a Technical Conference to be held on **September 30, 2021, at 1:00 p.m.**

The directive instated in the March 26 Resolution related to the submission of projects before the Energy Bureau at least thirty (30) calendar days before submitting such projects to FEMA and/or COR3 remains unaltered.

Be it notified and published.



Edison Avilés Deliz  
Chairman



Angel R. Rivera de la Cruz  
Associate Commissioner



Ferdinand A. Ramos Soegaard  
Associate Commissioner



Lillian Mateo Santos  
Associate Commissioner



Sylvia B. Ugarte Araujo  
Associate Commissioner

<sup>4</sup> See Joint Motion Submitting Updated 10-Year Infrastructure Work Plan, In Re: Review of the Puerto Rico Electric Power Authority's 10-Year Infrastructure Plan – December 2020, Case No. NEPR-MI-2021-0002, July 6, 2021, Exhibit 1.



**CERTIFICATION**

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on September 22, 2021. I also certify that on September 22, 2021 a copy of this Resolution and Order was notified by electronic mail to the following: laura.rozas@us.dlapiper.com; margarita.mercado@us.dlapiper.com, kbolanos@diazvaz.law; mvazquez@diazvaz.law. I also certify that today, September 22, 2021, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau.

For the record, I sign this in San Juan, Puerto Rico, today September 22, 2021.

  
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Sonia Seda Gaztambide  
Clerk



**Attachment A  
Projects Approved by the Energy Bureau**

SOW No.		Category	Project	Substation	Feeder #/Line #	Voltage (kV)	Qty of Feeders/Lines	Class 5 Cost Estimate (Millions)	Comments
1	1	IT/Telecom	Telecom Infrastructure	N/A	N/A	N/A	N/A	\$ 96.50	Approved as Requested.
2	2	IT/Telecom	Microwave PTP	N/A	N/A	N/A	N/A	\$ 17.50	Approved as Requested.
3	3	IT/Telecom	SCADA Remote Access and RTU Replacement	N/A	N/A	N/A	N/A	\$ 30.00	Approved as Requested.
4	4	IT/Telecom	Transport Network	N/A	N/A	N/A	N/A	\$ 185.00	Approved as Requested.
5	5	IT/Telecom	Primary and Secondary Control Centers	N/A	N/A	N/A	N/A	\$ 84.00	Approved as Requested.
6	6	IT/Telecom	Energy Management System (EMS)	N/A	N/A	N/A	N/A	\$ 42.00	Approved as Requested.
7	7	IT/Telecom	Fiber Optic Replacement	N/A	N/A	N/A	N/A	\$ 229.50	Approved as Requested.
8	8	IT/Telecom	Two-Way Land Mobile Radio Network	N/A	N/A	N/A	N/A	\$ 46.20	Approved as Requested.
9	9	Transmission	Line 2700 Victoria TC to Quebradillas Sect	N/A	2700	38	1	\$ 41.27	Approved as Requested.
10	10	Transmission	Line 2800 Aguadilla Hospital Distrito Sect to T-Bone TO	N/A	2800	38	1	\$ 3.14	Approved as Requested.
11	11	Transmission	Line 3600 Monacillos TC to Martín Peña TC	N/A	3600	38	1	\$ 39.98	Approved as Requested.





SOW No.		Category	Project	Substation	Feeder #/Line #	Voltage (kV)	Qty of Feeders/Lines	Class 5 Cost Estimate (Millions)	Comments
12	12	Transmission	Line 13300 Bayamón TC to Plaza del Sol	N/A	13300	38	1	\$ 5.39	Approved as Requested.
13	13	Transmission	115 kV Transmission Priority Poles and Structures Replacements	N/A	N/A	N/A	N/A	\$ 318.80	Approved as Requested.
14	14	Transmission	230 kV Transmission Priority Poles and Structures Replacements	N/A	N/A	N/A	N/A	\$ 31.30	Approved as Requested.
15	15	Transmission	38 kV Transmission Priority Poles and Structures Replacements	N/A	N/A	N/A	N/A	\$ 378.80	Approved as Requested.
16	16	Distribution	Distribution Feeders - Arecibo Short Term Group 2	Utua do Pueblo	8101-03	4.16	6	\$ 73.91	Approved as Requested.
	17			Caguana	8103-01	4.16			
	18			Caguana	8103-02	4.16			
	19			Yahuecas	8203-02	8.32			
	20			Jayuya	8301-03	4.16			
	21			Jayuya II	8302-05	4.16			
17	22	Distribution	Distribution Feeders - San Juan Short Term Group 3	Santurce Planta #2	1117-11	13.2	5	\$ 27.28	Approved as Requested.
	23			Llorens Torres 13kV	1118-10	13.2			
	24			Berwind 13kV	1336-06	13.2			
	25			Berwind 13kV	1336-08	13.2			
	26			Parque Escorial	1620-02	13.2			
18	27	Distribution	El Yunque 2305-01 Supply	Palmer TC	2305-01	13.2	1	\$ 14.60	Approved as Requested.



SOW No.		Category	Project	Substation	Feeder #/Line #	Voltage (kV)	Qty of Feeders/Lines	Class 5 Cost Estimate (Millions)	Comments
19	28	Distribution	Distribution Pole & Conductor Replacement	N/A	N/A	N/A	N/A	\$ 600.00	Approved as Requested.
20	29	Distribution	Distribution Streetlighting	N/A	N/A	N/A	N/A	\$ 1,220.00	Approved as Requested.
21	30	Substations	Substations Minor Repairs	N/A	N/A	N/A	N/A	\$ 400.00	Approved as Requested.
<b>TOTAL</b>								<b>\$ 3,885.17</b>	

