

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

NEPR Received: Sep 20, 2021 10:11 PM

IN RE:

THE PERFORMANCE OF THE PUERTO
RICO ELECTRIC POWER
AUTHORITY

CASE NO.: NEPR-MI-2019-0007

SUBJECT: Submission of Quarterly Performance Metrics for June, July and August 2021.

**MOTION SUBMITTING QUARTERLY PERFORMANCE METRICS, REQUESTING
LEAVE TO DEFER REPORTING ON SPECIFIED METRICS AND REQUEST FOR
CLARIFICATIONS**

TO THE PUERTO RICO ENERGY BUREAU:

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

1. Submission of quarterly reports on specified metrics on the performance of the Puerto Rico Electric Power Authority (“PREPA”), arises under a Resolution and Order issued by the Puerto Rico Energy Bureau (“Energy Bureau”) on May 14, 2019 in this proceeding. Pursuant to a Resolution and Order issued on December 30, 2020, the quarterly performance metrics are due on the 20th day of the month after each quarter closes.
2. On May 21st, 2021 the Energy Bureau issued a Resolution and Order adopting principles for establishing performance metric benchmarks; establishing four categories of performance metrics applicable to PREPA; and setting initial benchmark values for several metrics that are subject to reporting requirements, among others (“May 21st Resolution and Order”). See May 21st Resolution and Order at pages 3-14. Per the May 21st Resolution and Order, LUMA is to

file quarterly reports on the performance metrics that are detailed in Attachments A, B and D of said Resolution and Order.

3. On June 22, 2021, LUMA submitted the quarterly report for the months of March, April and May 2021, for several of the performance metrics, with performance data prior to Interim Service Commencement which occurred on June 1, 2021. LUMA supplemented said filing on July 6, 2021 in a motion entitled *Motion Supplementing Quarterly Performance Metrics Report and Requesting Leave to Defer Reporting of Specified Metrics* (“July 6th Supplemental Submission”).
4. In the July 6th Supplemental Submission, LUMA explained that it could not produce a quarterly report on several financial performance metrics as the data was being reconciled and stated that it should be available for the next quarterly report due September 2021. Thus, LUMA requested that the Energy Bureau defer the filing of data on the following financial metrics for the month of May 2021: (i) Capital expenses vs. budget (system); (ii) Capital expenses vs. budget - Transmission & Distribution; (iii) Capital expenses vs. budget - Generation, (iv) Capital expenses vs. budget- Customer Service; (v) Capital expenses vs. budget- Administrative & General (Exec); (vi) Capital expenses vs. budget- Planning and Environmental Protection; and (vii) Accounts Payable days outstanding.
5. Secondly, in the July 6th Supplemental Submission, LUMA informed that due to circumstances beyond its control, LUMA had not been able to gather and review relevant data on fleet operations and further understood that the data would not be reliable as maintenance records were not kept by PREPA and the work order system was not functioning.

6. On August 13, 2021, in response to a Resolution and Order issued by this Energy Bureau on August 6, 2021, LUMA filed a motion entitled *Motion in Compliance with Order Submitting Updated Quarterly Performance Metrics Report* (“August 13th Updated Submission”).
7. In the August 13th Updated Submission, LUMA included clarifications on several new performance metrics that the Energy Bureau directed should be included in future quarterly reports and that are enumerated in Attachment D to the May 21st Resolution and Order.
8. First, LUMA explained that regarding technical losses as % of net generation and technical loss reduction as a % of net generation, it computed values using Puerto Rico Electric Power Authority’s (“PREPA”) methodology but that in LUMA’s view the data is not wholly reliable. LUMA offered to participate in collaborative discussions with the Energy Bureau on the methodology to be developed to track and report performance on technical losses as % of net generation and technical loss reduction as a % of net generation.
9. Second, regarding total of number of calls received, LUMA explained in the August 13th Updated Submission, that it expected that the data used by the Energy Bureau to set baselines would change significantly given that after commencing operations LUMA discovered that the call centers had trunks that limited how many lines were available for customers to call and LUMA’s new call center system had seen call volumes eight times higher than what was forecasted based on PREPA’s historical data.
10. Finally, LUMA explained that for the quarter of March through May 2021, it could not file a report on the new metrics on average length of time to resolve customer complaint appeals and number of curtailed hours from RPS-eligible capacity (12 metrics). For average length of time to resolve customer complaint appeals, LUMA requested clarification on what is defined as a

"customer complaint." Regarding curtailments, LUMA explained that said reporting required an investigation into previous invoices produced by PREPA before service commencement on June 1, 2021 and that it did not yet have access to invoices generated under Purchase Power Agreements ("PPOAs") prior to June 1st, 2021 but was working to obtain the necessary information and expected to be able to report on this metric in the next quarterly report to be issued in September 2021.

11. As of the filing of this Motion the Energy Bureau has not ruled on the requests to defer reporting on the May 2021 financial metrics and to report on fleet operations for the quarter ending August 2021 as stated in the July 6th Supplemental Submission. Similarly, the Energy Bureau has not ruled on the requests made in the August 13th Updated Submission.
12. Today, LUMA is submitting the first Quarterly Performance Metrics Report that involves data collected by LUMA after Interim Service Commencement. *See* Exhibit 1 to this Motion, LUMA Quarterly Performance Metrics Report for the months of June, July and August 2021, excel spreadsheets submitted via email ("June through August Performance Metrics Report").
13. In the June through August Performance Metrics Report submitted today, LUMA added a tab in the summary worksheet, to distinguish the metrics that pertain to Transmission & Distribution (which is operated and managed by LUMA) from those that involve Generation (which is operated and managed by PREPA). LUMA received the Generation data from PREPA.
14. In preparing the June through August Performance Metrics Report, for those metrics for which LUMA was able to identify the methodology and calculation used by PREPA, LUMA used the same methodology and calculation as PREPA.

15. For the Performance Metric “number of formal customer complaints,” LUMA clarifies that the data submitted in Exhibit 1 reflects both formal and informal Act 57-2014 billing complaints. Upon reviewing PREPA historical data, LUMA understands that those were the types of complaints that PREPA included in prior reports filed with the Energy Bureau. As reported by PREPA, LUMA understand that this metric excludes other formal complaints that customers may file with the Energy Bureau. LUMA will continue to follow PREPA’s methodology for reporting on this metrics for consistency in the data. LUMA requests; however, that the Energy Bureau re-name this Performance Metric to “number of Act 57 customer complaints.” It is respectfully submitted that the proposed name more accurately depicts the nature of the Performance Metric and the data that has been produced historically.¹
16. It bears noting that in prior Performance Metrics Reports, PREPA has included historical data since June 2019. The June through August Performance Metrics Report follows that methodology. LUMA respectfully requests that the Energy Bureau clarify whether the historical data should be maintained in future Quarterly Performance Metrics Reports. LUMA proposes to eliminate that historical data as it is available on past submissions and to include in future reports solely the data since LUMA’s commencement, June 2021 through Fiscal Year 2022.
17. Regarding technical losses as a percent (%) of net generation and technical loss reduction as a percent (%) of net generation, as LUMA did in the March through May Quarterly Report, the June through August Performance Metrics Report computes values using PREPA’s

¹ In the Revised Performance Metrics Targets of August 18, 2021, Case No. NEPR-AP-2020-0025, LUMA includes a Complaint Rate Metric that for the purposes of said filing, considers all of the complaints filed by customers with the Energy Bureau.

methodology. LUMA restates its proposal to participate in collaborative discussions with the Energy Bureau on the methodology to be developed to track and report performance on technical losses as % of net generation and technical loss reduction as a % of net generation.

18. LUMA hereby restates the request made in the August 13th Updated Submission for the Energy Bureau to clarify the data that is expected to be included in the new Performance Metric on average length of time to resolve customer complaint appeals. Currently, LUMA lacks enough guidance to report on this new metric.
19. Regarding the Performance Metric on number of curtailed hours from RPS-eligible capacity (12 metrics), *Exhibit 1* includes the data for the March through May quarter with a value of zero (0) for each month. The June through August Performance Metrics Report included as Exhibit 1, also provides the relevant data for said quarter.
20. The June through August Performance Metrics Report submitted as Exhibit 1 to this Motion, includes the data for the month of May 2021, that was previously delayed, for the following financial performance metrics: (i) Capital expenses vs. budget (system); (ii) Capital expenses vs. budget - Transmission & Distribution; (iii) Capital expenses vs. budget - Generation, (iv) Capital expenses vs. budget- Customer Service; (v) Capital expenses vs. budget- Administrative & General (Exec); (vi) Capital expenses vs. budget- Planning and Environmental Protection; and (vii) Accounts Payable days outstanding.
21. It is respectfully informed that LUMA continues to complete the close of the July and August financial records. Thus, at this time, data is not available to report on several financial related metrics for those two months. LUMA respectfully submits that the data should be available by the end of October, 2021. LUMA thus respectfully requests leave to file the data on the

following financial metrics for the months of July and August in the next quarterly filing due December 2021:

- a. Operational expenses vs. Budget (excluding fuel) (system),
- b. Operational expenses vs Budget (excluding fuel) (by directorate) (11),
- c. Capital expenses vs. budget (system),
- d. Capital expenses vs. budget - Transmission & Distribution,
- e. Capital expenses vs. budget – Generation,
- f. Capital expenses vs. budget- Customer Service,
- g. Capital expenses vs. budget- Administrative & General (Exec),
- h. Capital expenses vs. budget- Planning and Environmental Protection,
- i. Cost of Generation by customer (for the month of August 2021),
- j. Timely submission of the Monthly Operating Report, and
- k. Accounts Payable days outstanding.

22. Regarding reporting on the aforementioned financial metrics, LUMA respectfully submits that it is available to engage in collaborative discussions with this Energy Bureau for setting a reporting calendar on financial metrics that allows LUMA to close books for the relevant quarter and provide the Energy Bureau correct data on financial performance.

23. As for the Day Sales Outstanding (“DSO”) metric data, LUMA encountered a problem validating the Public Lighting bill data from the M8 report that was previously submitted to this Energy Bureau. The difference in numbers affects the DSO calculation from the General Clients and the Government. LUMA is currently validating the data to corroborate and have a valid DSO calculation. As such, there is no DSO data to report. Therefore, LUMA needs an

extension of time to submit the data to provide the correct information to this Energy Bureau.
LUMA very respectfully requests leave to file the data by October 31, 2021.

24. In respect of the Percent of Automatically Generated NTL Leads Found to be Occurrences of Theft metric, LUMA hereby informs that to provide the pertinent data, reports will need to be re-established, as this information is based on field activities. Since LUMA does not have at present data to report, it respectfully requests leave for an extension of time to submit the data by October 31, 2021.

25. Finally, for several Performance Metrics, LUMA was not able to identify data. For those same Performance Metrics, data was reported as "Non-Applicable" for 6 months or more, or the data remained unaltered for 6 months or more. LUMA respectfully requests to exclude those Performance Metrics from future Quarterly Reports. Those Performance Metrics are:

- a. Monthly Peak by Customer Class - N/A
- b. Monthly Peak by District - N/A
- c. Number of Customer Complaints appealed by Customer Class - this metric remains unchanged since June 2019 - 155 historically
- d. Average Time to Resolve Billing Disputes - metric remains unchanged as it's contingent on Act 57 - historically 10-30 days
- e. Average Time to Respond to Service and Outage Complaints - metric remains relatively unchanged since June 2019; consistently 1-3 hours
- f. Incremental Installed Distribution Generation Capacity per Year - Wind - Historically 0
- g. Incremental Number of Distributed Generation Installations per Year Wind - Historically 0.

WHEREFORE, LUMA respectfully requests this Honorable Bureau **take notice of the** aforementioned; **accept** the June through August Performance Metrics Report included as Exhibit 1 to this Motion and this is being submitted via email; **defer** those financial metrics for the months of July and August that are mentioned in paragraph 21 of this Motion; **defer** those metrics that are mentioned in paragraphs 23 and 24 of the Motion; **clarify** the scope of the new Performance Metric

on average length of time to resolve customer complaint appeals as stated in paragraph 18 of this Motion; re-name the Performance Metric on “number of formal customer complaints” to “ number of Act 57 customer complaints” as requested in paragraph 15 of this Motion; **direct** that historical data from 2019 until 2020 should not be maintained in future Quarterly Performance Metrics Reports; and **remove** the Performance Metrics mentioned in paragraph 24 of this Motion from the requirements of future performance metrics reports.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 20th day of September 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; and Katiuska Bolaños-Lugo, kbolanos@diazvaz.law.



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