

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

NEPR Received: Oct 26, 2021 1:12 PM
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IN RE:

REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY'S
SYSTEM REMEDIATION PLAN

CASE NO.: NEPR-MI-2020-0019

SUBJECT: Request for Extension to File
Quarterly Report.

REQUEST FOR EXTENSION TO FILE QUARTERLY REPORT

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC (“ManagementCo”), and **LUMA Energy ServCo, LLC** (“ServCo”), (jointly referred to as “LUMA”), and respectfully state and request the following:

On February 24, 2021, LUMA filed before this Honorable Puerto Rico Energy Bureau (“Energy Bureau”) a Request for Approval of the System Remediation Plan (“SRP”), pursuant to LUMA’s obligations under Section 4.1 (d) of the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement dated as of June 22, 2020, executed by and among LUMA, the Puerto Rico Electric Power Authority (“PREPA”) and the Puerto Rico Public-Private Partnerships Authority (“P3 Authority”) (“T&D OMA”).

On June 23, 2021, this honorable Energy Bureau issued a Resolution and Order approving LUMA’s proposed SRP (“June 23rd Order”). In Section IV, paragraphs 1 through 3 of the June 23rd Order, this honorable Energy Bureau directed that starting on September 15, 2021, LUMA shall file reports every two months on the implementation of the SRP that shall include:

1. Actual spending amounts, broken down by spending initiative/portfolio, and reflecting in detail any variances from the System Remediation Plan;

2. A detail[ed] timeline per portfolio with sufficient detail to allow the Energy Bureau to assess project status for System Remediation Plan capital expenditures and operational initiatives; and
3. Any capital expenditure or operational initiatives that are behind schedule, compared to the initial System Remediation Plan timeframe and a detail[ed] explanation as to the cause of the delay and the corrective actions implemented to prevent further delays, as applicable.

Id.

On July 13, 2021, LUMA filed a *Request for Clarifications or Reconsideration of Portions of June 23rd Resolution and Order Approving LUMA's System Remediation Plan* (“July 13th Motion”). Among others, LUMA requested a revision to the reporting requirements to file the reports quarterly and within forty-five days (45) after each quarter closes. On August 25, 2021, the Energy Bureau issued a Resolution and Order addressing the July 13th Motion. In pertinent part, the Energy Bureau modified the bimonthly reporting requirement directing that LUMA should “file the reports specified in the June 23 Resolution on a quarterly basis. The due date for such reports will be no later than thirty (30) days after the close of the reported quarter.” See August 25th Resolution and Order at page 3.

On September 30, 2021, LUMA filed a *Response to August 25th Resolution and Order and Request for Remedies Regarding Quarterly Reporting Requirements*, whereby LUMA explained that it is operationally unfeasible to meet the requirement to file quarterly reports within thirty (30) days after each quarter closes. (“September 30th Response and Request for Remedies”). LUMA also stated that if said requirement is maintained, LUMA would likely have to file recurrent requests for extensions of time, thereby requiring the Energy Bureau to

adjudicate individual requests for extensions and exposing LUMA to imposition of sanctions or administrative fines. As explained by LUMA in the September 30th Response and Request for Remedies, LUMA requires 45 days, at a minimum, to ensure that LUMA is able to provide the Energy Bureau accurate, quality, consistent and compliant information with each of the quarterly reports.

As of the date of the filing of this Motion, this Energy Bureau has not adjudicated LUMA's September 30th Response and Request for Remedies. To wit, the Energy Bureau has not determined if LUMA may file the quarterly reports within forty-five (45) days after each quarter closes. Thus, currently, the first quarterly report in this proceeding is due on November 1, 2021.

LUMA hereby respectfully informs that it will need additional time, until November 15, 2021, to submit the quarterly report required by this Energy Bureau in the June 23rd Order, as amended by the August 25th Resolution and Order. This additional time is aligned with LUMA's pending request in its September 30th Response and Request for Remedies, stating that at least forty-five (45) days after each quarter closes are needed to submit fulsome and compliant quarterly reports with this Energy Bureau. LUMA is currently preparing all the necessary information for the required reporting to deliver the quarterly report by November 15th. The additional time is necessary for LUMA to compile all required financial data from multiple financial systems, complete the requisite internal administrative review of financial information, prepare any variance explanations, and compile the quarterly report which encompasses the totality of LUMA's operation and includes reporting on the budget, operations, capital projects included in the FY2022 budget (as approved by the Energy Bureau in NEPR-MI-2021-0004), as well as programs included in the SRP.

This request for extension is filed to allow LUMA to comply with the Energy Bureau's June 23rd Order, provide accurate information that meets the reporting requirements set by the Energy Bureau, and minimize the need to file an amended or supplemental report. LUMA continues to work to complete the quarterly report, without intent to delay the Energy Bureau's consideration of the progress of LUMA's implementation of the approved SRP.

WHEREFORE, LUMA respectfully requests that the Bureau **grant** LUMA additional time until November 15, 2021 to file the SRP quarterly report required by the June 23rd Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 26th day of October 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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