

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

IN RE: REVIEW OF THE PUERTO RICO ELECTRIC POWER AUTHORITY SYSTEM REMEDIATION PLAN

CASE NO.: NEPR-MI-2020-0019

SUBJECT: Determination on LUMA's September 30, 2021 Request for Remedies and LUMA's October 26, 2021 Request for Extension of Time.

RESOLUTION AND ORDER

On August 25, 2021, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("August 25 Resolution") in the instant case through which it determined, in pertinent part, that LUMA¹ shall file the information specified in the June 23 Resolution², on a quarterly basis ("Quarterly Reports"), no later than thirty (30) days after the close of the reported quarter.³

On September 30, 2021, LUMA filed before the Energy Bureau a document titled *Response to August 25th Resolution and Order and Request for Remedies Regarding Quarterly Reporting Requirements* ("September 30 Request"). In summary, LUMA requests that the Quarterly Reports be filed within forty-five (45) days after each quarter closes in lieu of the thirty (30) days established by the Energy Bureau. LUMA alleges that filing quarterly reports within thirty (30) days after each quarter closes is not operationally achievable. LUMA foresees it will constantly need to request extensions, thereby requiring the Energy Bureau to adjudicate individual requests for extensions and exposing LUMA to imposition of sanctions or administrative fines.⁴ LUMA states that the requested time for filing the Quarterly Reports is required to provide a complete and fulsome review of the financial information, preparation of variance explanations, and compilation of an overall report which encompasses the totality of LUMA operations.⁵

In the September 30 Request LUMA indicates that given the interrelated and overlapping nature of the financial, operational, capital investment and quarterly reports, a timeframe of less than 45 days after quarter closes, would effectively require LUMA to complete substantially all its quarterly reporting before the quarter actually closes to meet an earlier deadline. LUMA states that a timeframe of 45 days after closing will allow LUMA to avoid providing preliminary data and will minimize reporting inaccuracies and duplication of efforts. LUMA alleges that reporting on a preliminary basis may cause adjustments to be included in subsequent reports, creating a more complicated trail for tracking key quarterly data.⁶

On October 26, 2021, LUMA filed a document titled *Request for Extension to File Quarterly Report* ("Request for Extension"). LUMA summarizes its arguments to file forty-five (45) after close of quarter as stated in its September 30 Request and requests an extension of 15 days, to file the Quarterly Reports. LUMA states that the additional time is necessary for LUMA to compile all required financial data from multiple financial systems, complete the internal administrative review of financial information, prepare any variance explanations, and compile the quarterly reports which encompasses the totality of LUMA's operation and

¹ LUMA Energy, LLC. as ManagementCo, and LUMA Energy SERVCO, LLC as ServCo (collectively, "LUMA").

² Resolution and Order, *In Re: Review of the Puerto Rico Electric Power Authority System Remediation Plan*, Case. No. NEPR-MI-2020-0019, June 23, 2021, pp. 36-37, ("June 23 Resolution").

³ August 25 Resolution, p. 3.

⁴ September 30 Request, p. 3.

⁵ *Ibid.*

⁶ *Id.*, p. 6.

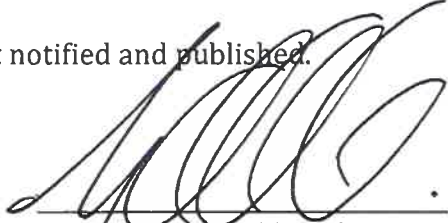


includes reporting on the budget, operations, capital projects included in the FY2022 budget, as well as programs included in the System Remediation Plan.⁷

After evaluating LUMA's arguments, the Energy Bureau **GRANTS** LUMA's September 30 Request. The Energy Bureau **ORDERS** LUMA to submit the Quarterly Reports within forty-five (45) days after each quarter closes. Regarding the Request for Extension, the Energy Bureau **GRANTS** LUMA's request to file the Quarterly Reports that were due November 1, 2021, no later than November 15, 2021.

The Energy Bureau **WARNS** LUMA that, noncompliance with any provision of this Resolution and Order, may result in the imposition of fines pursuant to Act 57-2014⁸ and applicable Energy Bureau's regulations and any other appropriate administrative sanctions, as deemed appropriate by the Energy Bureau.

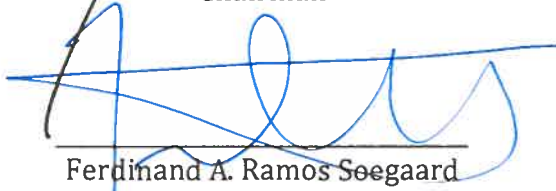
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Edison Avilés Deliz
Chairman



Lillian Mated Santos
Associate Commissioner



Ferdinand A. Ramos Soegaard
Associate Commissioner



Sylvia B. Ugarte Araujo
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on November 4, 2021. Associate Commissioner Ángel R. Rivera de la Cruz did not intervene. I also certify that on November 4, 2021 a copy of this Resolution and Order was notified by electronic mail to the following: kbolanos@diazvaz.law, jmarrero@diazvaz.law and margarita.mercado@us.dlapiper.com. I also certify that today, November 4, 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 November 4, 2021.



Sonia Seda Gaztambide
Clerk



⁷ Request for Extension, p. 3.

⁸ Known as the *Puerto Rico Energy Transformation and RELIEF Act*, as amended.