

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

NEPR Received: Nov 8, 2021 11:27 PM
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IN RE: THE PERFORMANCE OF THE
PUERTO RICO ELECTRIC POWER
AUTHORITY

CASE NO.: NEPR-MI-2019-0007

SUBJECT: Motion in Compliance with
Bench Order Entered on November 4, 2021

**MOTION IN COMPLIANCE WITH BENCH ORDER
ENTERED ON NOVEMBER 4, 2021**

COMES NOW, the Puerto Rico Electric Power Authority (PREPA) through its undersigned legal representation and respectfully submits and prays as follows:

1. On August 5, 2021, the Puerto Rico Energy Bureau of the Public Service Regulatory Board (the “Energy Bureau”) entered *Resolution* directing LUMA and PREPA to attend a Virtual Technical Conference on October 20, 2021, at 10:00 a.m. (the “August 5 Order”). As stated by the Energy Bureau in the August 5 Order, as part of the Technical Conference, LUMA and PREPA were going to be given the opportunity to discuss their comments and to answer questions from the Energy Bureau regarding the June, July and August 2021 performance metrics. PREPA’s June, July and August 2021 performance metrics were reported by LUMA. *See Motion Submitting Quarterly Performance Metrics, Requesting Leave to Defer Reporting on Specified Metrics and Request for Clarifications* filed by LUMA on September 20, 2021.

2. On October 19, 2021, the Energy Bureau entered a *Resolution and Order* rescheduling the Technical Conference for November 4, 2021, at 10:00 a.m.

3. As ordered by the Energy Bureau, PREPA attended and answered questions of the Energy Bureau during the Technical Conference. During the Technical Conference, the Energy Bureau’s consultants projected and discussed a presentation that covered several LUMA and PREPA

performance metrics.¹ PREPA commented and raised concerns regarding the data shown for system-wide generation costs and the lack of data on PREPA's available vehicles in service.²

4. Regarding the system-wide generation costs, PREPA understands that the data it has collected during the past months doesn't correlate to the drastic variance in costs reflected in Slide 20 of the PREB Presentation. The attached report shows the data of generation operation and maintenance costs and fuel costs recorded by PREPA's Generation Directorate ("PREPA Gen Costs Report"). Exhibit A. As it may be noted, even though the fuel costs and the operation and maintenance costs did increase in the last trimester, the variance shown in the PREPA Gen Costs Report between the prior trimester (March - May 2021) and the trimester of June - August 2021 is not as significant as it is shown in Slide 20 of the PREB Presentation.

5. It must be noted that finance services is a shared service that LUMA provides PREPA and thus, the most accurate finance data can be provided by LUMA. Moreover, the costs included in the PREPA Gen Costs Report may vary since the fuel costs does not include additional costs that are added in the finance reports, like taxes.

6. Further, PREPA respectfully requests the Energy Bureau to consider that Slide 20 of the PREB Presentation shows that, during the quarter of June - August 2021, the operation and maintenance costs were greater than the fuel costs. However, in PREPA's experience, that has never been the case. On the contrary, fuel costs have always been greater than operation and maintenance costs. *See e.g.* Exhibit A.

7. Slide 52 of the PREB Presentation details the Total Available Vehicles in Service. The cells to report PREPA vehicles during the quarter of June - August 2021 are not populated. During

¹ *Technical Session: LUMA Performance Metrics, Docket NEPR MI-2019-0007* (November 4, 2021) https://energia.pr.gov/wp-content/uploads/sites/7/2021/11/Technical-Conference-Slides_11_4_2021.pdf ("PREB Presentation")

² *See id.* at Cost of System-Wide Generation at Slide no. 20 and Total Available Vehicles in Service at Slide no. 52.

the Technical Conference, PREPA testified that it had the information readily available and, at that moment, PREPA informed that it had 318 vehicles. The breakdown of those vehicles is:

- a. 110 vehicles are assigned to the generation area
- b. 183 vehicles are assigned to the hydroelectric and irrigation area
- c. 25 vehicles are assigned to other areas

8. During the Technical Conference, the undersigned asserted that LUMA did not request PREPA to provide the total available vehicles in service information. Mr. Mario Hurtado, Vice-President of LUMA, argued that said statement was incorrect and LUMA did request the information from PREPA. PREPA herein clarifies that LUMA did request the information. It is respectfully asserted that the statement was made based on the information available to the PREPA officers that were present at that moment of the Technical Conference and without intention to mislead this Honorable Energy Bureau.

WHEREFORE, PREPA respectfully requests that the Energy Bureau take notice of this motion and information submitted.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 8th day of November 2021.

/s Katuska Bolaños-Lugo
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CERTIFICATE OF SERVICE

It is hereby certified that, on this same date, I have filed the above motion with the Clerk of the Energy Bureau using the Energy Bureau's Electronic Filing System, at the following address: <http://radicacion.energia.pr.gov> It is further certified that I have sent a copy to margarita.mercado@us.dlapiper.com and mmercado@mercado-echegaray-law.com.

In San Juan, Puerto Rico, this 8th day of November 2021.

/s Katuska Bolaños-Lugo
Katuska Bolaños-Lugo

Exhibit A

[The native version of this exhibit has been submitted to the Energy Bureau via email]

	O & M	Annual	Total	Fuel
Goal		0.73		
E	0.6902		11.7768	11.0866
F	1.1604		13.0304	11.8700
M	1.2840		13.7717	12.4877
A	1.3419		14.0858	12.7439
M	0.7099		13.9241	13.2142
J	0.7824		13.2101	12.4277
J	0.6004		13.4615	12.8611
A	0.6173		14.4280	13.8107
S	0.9052		16.8695	15.9643
O				
N				
D				
Acum.	0.9141		13.9812	13.0671

