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Sent: Thursday, December 23, 2021 6:07 PM  
To: Comentarios <comentarios@jrsp.pr.gov>  
Cc: Ingrid Vila <ingridmvila@cambiopr.org>  
Subject: Comentarios - NEPR-MI-2020-0001

GOVERNMENT OF PUERTO RICO  
PUBLIC SERVICE REGULATORY BOARD  
ENERGY BUREAU

IN RE: Puerto Rico Electric Power  
Authority's Permanent Rate

CASE NO. NEPR-MI-2020-0001

SUBJECT: CAMBIO public  
comments

Honorable President Avilés and Energy Bureau Commissioners:

CAMBIO appreciates the opportunity to provide comments on the most recent request for an 18.4% increase in electric rates. We understand this request to be based primarily on the dispatch of more expensive power plants during the most recent quarter, as well as a greater-than-forecast increase in fossil fuel prices. We offer the following comments:

1. In our previous comments in this case, we urged the Energy Bureau to investigate the root causes of various forced outages of generating units from June through September, citing public statements from PREPA indicating that transmission system problems were the cause of at least two of these forced outages, including the prolonged outage of Costa Sur 6. Costa Sur 6 has been offline since August 22, which undoubtedly contributed to greater reliance on diesel units and higher system costs during the last quarter.

We appreciated the Bureau's decision to open an investigation (Case NEPR-IN-2021-0003) into the cause of the August 22, 2021 transmission outage and its impact on the generating fleet. Unfortunately, the only information that has been produced in that proceeding has been filed under seal, and there has been no determination by the Bureau, leaving the public with no more information than we had two months ago on this important issue.

CAMBIO urges the Energy Bureau to continue and finalize this investigation, given the financial impact that the prolonged outage of Costa Sur 6 continues to have on electric rates. We reiterate our position that customers should not be forced to pay costs that resulted from any negligence or imprudent action by LUMA Energy.

2. It was revealed during the December 22<sup>nd</sup> Technical Conference in this case that New Fortress Energy has not supplied natural gas to San Juan units 5 and 6 since October 15<sup>th</sup> and that this situation is expected to continue through the end of January. CAMBIO urges the Bureau to continue monitoring this situation and ensure that PREPA uses all available legal mechanisms to enforce its contract with New Fortress Energy so that the public does not pay the cost of New Fortress's failure to supply natural gas. We also urge the Bureau to revisit its approval of the New Fortress contract, which clearly was not negotiated or structured for the benefit of the people of Puerto Rico.
  
3. The continual rate increases experienced by the people of Puerto Rico over the past year point to the urgent necessity of transitioning the electrical system away from fossil fuels. The more than \$14 billion in FEMA funds available for the electrical system provide a historic opportunity to transition to a decentralized, renewable energy-based system based in rooftop solar and storage. As CAMBIO has described at length in other dockets (e.g. Case NEPR-MI-2020-0016), such a transformation would both result in lower and stable electric rates and also dramatically improve the resiliency situation of Puerto Rico residents. We urge the Bureau to insist on the use of federal funds towards this end, and not simply towards the rebuilding and hardening of the existing centralized system.

Thank you for the opportunity to comment in this case.

Sincerely,

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President / co-founder

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