

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

NEPR
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IN RE:
IN RE: PUERTO RICO ELECTRIC POWER
AUTHORITY PERMANENT RATE

CASE NO. NEPR-MI-2020-0001

**SUBJECT: Motion in Compliance with
Resolution and Order of December 17, 2021**

**MOTION IN COMPLIANCE WITH RESOLUTION AND ORDER
OF DECEMBER 17, 2021**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW LUMA Energy Servco, LLC (“ServCo”), (“LUMA”), through the undersigned counsel, and respectfully states and requests the following:

1. On September 30, 2021, this Energy Bureau issued a Resolution and Order in which it set the FCA, PPCA, and FOS factors to be applicable from October 1, 2021, until December 31, 2021 (“September 30th Order”). In the September 30th Order, the Energy Bureau also instructed LUMA to file on or before December 15, 2021, the FCA, PPCA, and FOS reconciliations for September, October, and November 2021, and the calculated factors to be applied to start on January 1, 2022.

2. On December 9, 2021, LUMA filed an *Urgent Request for Brief Extension of Time for Quarterly Reconciliations and FCA, PPCA and FOS Proposed Factors* to request an additional business day, until December 16, 2021 at noon, to submit the quarterly reconciliations and proposed FCA, PPCA, and FOS factors, because of delays in receiving the necessary data about fuel for November and complete its analysis. On December 10, 2021, this Energy Bureau granted LUMA until December 16, 2021, at noon, to submit the quarterly reconciliations and calculated factors.

3. On December 16, 2021, LUMA filed a *Motion Submitting Quarterly Reconciliations and FCA, PPCA, and FOS Calculated Factors and Request for Confidential Treatment*. Therein, LUMA submitted quarterly reconciliations for September, October, and November 2021 and proposed FCA, PPCA, and FOS factors to be applied from January 1, 2022, going forward. As part of its submittal, LUMA included several Excel spreadsheets and other files as exhibits, for which it requested confidential designation and treatment because they contain sensitive commercial information.

4. On December 17, 2021, this Energy Bureau issued a Resolution and Order instructing LUMA to on or before December 21, 2021, at 10:00 a.m. submit or clarify the following information: (1) update of the file “PRECIO PONDERADO DIRECTORADO DE GENERACION @ junio 30, 2021.xlsx”, with information up to November 30, 2021; (2) update of the file “Precio Ponderado Analisis 2021.08.31.xlsx”, with information up to November 30, 2021; (3) origin of the “Ajustes Estacionales” contained in cells C13 to N18 of the “By class” tab of the “Load Estimation Q3 FY2022.xlsx” file, including the file used to compute these values, or if the inclusion of the files is burdensome or impractical, explain the methodology used and the origin of these data; and (4) an estimate of the incremental cost of using diesel fuel in San Juan units 5 and 6, relative to the cost if natural gas had been used, as projected, during September, October and November 2021. *See* December 17th Order at page 2.

5. In the December 17th Order, this Energy Bureau also scheduled the Technical Conference for December 22, 2021, at 10:00 a.m. *Id.* at 3.

6. Moreover, this Energy Bureau granted confidential designation and treatment to all the Excel spreadsheets LUMA requested such designation and treatment, including those described previously. *Id.*

7. In compliance with the December 17th Order, LUMA hereby submits: the “PRECIO PONDERADO DIRECTORADO DE GENERACION @ junio 30, 2021.xlsx,” with information up to November 30, 2021. LUMA received this spreadsheet from the Puerto Rico Electric Power Authority (“PREPA”).

8. LUMA also hereby submits the “Precio Ponderado Analisis 2021.08.31.xlsx” files, with information up to November 30, 2021. This spreadsheet is prepared based on information that PREPA provided to LUMA.

9. Regarding the PRECIO PONDERADO DIRECTORADO DE GENERACION @ junio 30, 2021.xlsx and the Precio Ponderado Analisis 2021.08.31.xlsx files, it is important to state that LUMA received the information from PREPA over the course of the past weekend to comply with the December 17th Order. It is clarified that in the ordinary course of operations, LUMA receives this data for the last month of each quarter after the deadline to submit the quarterly reconciliations and proposed factors. That is, after the 14th day of the month after the quarter closes. Thus, typically, inventory measurements from the end of the quarter are reflected in the next quarter.

10. LUMA also submits the origin of the “Ajustes Estacionales” contained in cells C13 to N18 of the “By class” tab of the “Load Estimation Q3 FY2022.xlsx” file, including the file used to compute these values, or if the inclusion of the files is burdensome or impractical, explain the methodology used and the origin of these data. LUMA submits the files “Consumption Seasonal Asjustments” which has the explanation of the origin of the data “Ajustes Estacionales”.

11. Regarding item four of the December 17th Order (“An estimate of the incremental cost of diesel fuel used in the San Juan 5 and 6 units, relative to the cost if natural gas had been used, as projected, during the months of September, October and November 2021”),

LUMA and the Puerto Rico Electric Power Authority (“PREPA”) conferred and agreed that it involves a calculation that PREPA should perform on the costs to PREPA Generation if natural gas had been acquired/used instead of diesel. Thus, PREPA will be submitting this information with this Energy Bureau.

12. As explained in the December 16th Submission, LUMA does not own or operate generation facilities, nor does it purchase any fuel for generation. LUMA’s costs of operations are not included in the FCA, PPCA and FOS riders. The tariff book requires the calculation of the FCA, PPCA and FOS riders to assure the pass-through of fuel used in generation by PREPA and the power purchased from private generators by PREPA, without any markup, profit or additional charges that would benefit PREPA (or LUMA).

13. LUMA is deeply concerned with the impact that rising fuel costs and the factors noted above will have on customer rates and respectfully urges the Energy Bureau to consider any and all options that would help mitigate the large increase in customers’ energy bills.

14. This submission includes Excel spreadsheets filed publicly in a folder entitled *Public* and confidential Excel spreadsheets with intact formulae submitted in a folder named *Confidential*, as depicted below:

A. Confidential Folder

Consumption Seasonal Adjustments Precio Ponderado Analisis 2021.11.30
Fuel Inventory Folder: <ul style="list-style-type: none">• PRECIO PONDERADO DIRECTORADO DE GENERACION @ noviembre 30, 2021

B. Public Folder

Consumption Seasonal Adjustments Precio Ponderado Analisis 2021.11.30
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Fuel Inventory Folder:

- PRECIO PONDERADO DIRECTORADO DE GENERACION @ noviembre 30, 2021
- 21-10341 FINAL REPORT INVENTORY 30NOV.2021 NO. 2 FUEL OIL @ PREPA CENTRAL SAN JUAN, P.R. - REF. SJ-TANK INVENTORY-11-21
- 21-10341 FINAL REPORT INVENTORY 30NOV.2021 NO. 6 FUEL OIL @ PREPA CENTRAL SAN JUAN, P.R. - REF. SJ-TANK INVENTORY-11-21
- 21-10342 FINAL REPORT INVENTORY 30NOV. 2021 NO. 2 DIESEL OIL @ PREPA AGUIRRE, P.R. - REF. AG-TANK INVENTORY-11-21
- 21-10342 FINAL REPORT INVENTORY 30NOV.2021 NO.6 FUEL OIL @ PREPA AGUIRRE, P.R. - REF. AG-TANK INVENTORY-11-21
- 21-10343 FINAL REPORT INVENTORY 30NOV.2021 NO.2 DIESEL OIL @ PREPA YABUCOA, P.R. - REF. YB-TANK INVENTOR-11-21
- Full Report 1310100016410 - PUERTO RICO ELECTRIC (BR) POWER AUTHORITY, M. Rios
- Full Report 1310100016411 - PUERTO RICO ELECTRIC (BR) POWER AUTHORITY, M. Rios
- Full Report 1310100016415 - PUERTO RICO ELECTRIC (BR) POWER AUTHORITY, M. Rios
- GA021831 PREPA VEGA BAJA TANK INVENTORY
- GA021835 PREPA COSTA SUR INVENTORY
- GA021836 PREPA CAMBALACHE INVENTORY
- GA021837 PREPA MAYAGUEZ TANK INVENTORY

15. The confidential Excel files described above and submitted with this Motion, include Excel spreadsheets submitted in native format (.xls), with intact formulae. They include formulae and original calculations made by LUMA personnel that reveal confidential procedures and include sensitive commercial information belonging to LUMA and/or PREPA. As already determined by this Energy Bureau in the December 17th Order for the original Excel files then submitted, LUMA respectfully requests that the updated Excel files submitted today in the *Confidential* folder be received, kept, and maintained confidentially by this Energy Bureau.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned, **accept** the filing of the aforementioned Excel spreadsheets; **keep** confidentially the spreadsheets that have been filed in Excel format and with formulae in the folder named *Confidential* that is submitted with this Motion; and **deem** LUMA complied with the December 17th Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 21st day of December 2021.

I hereby certify that I filed this Motion using the electronic filing system of this Energy Bureau. I will send an electronic copy of this Motion to counsel for PREPA Katuska Bolaños-Lugo, kbolanos@diazvaz.law and to the Independent Consumer Protection Office, through Director Hannia Rivera, hrivera@oipc.pr.com.



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