

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

NEPR

Received:

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IN RE:
INFORMES DE PROGRESO DE
INTERCONEXIÓN DE LA AUTORIDAD
DE ENERGÍA ELÉCTRICA DE PUERTO
RICO

CASE NO. NEPR-MI-2019-0016

SUBJECT:

Motion Submitting DG Interconnection
Informational Memo in Compliance with Bench
Order Issued at the Hearing Held on November 18,
2021

**MOTION SUBMITTING DG INTERCONNECTION INFORMATIONAL MEMO
IN COMPLIANCE WITH BENCH ORDER ISSUED AT
THE HEARING HELD ON NOVEMBER 18, 2021**

TO THE PUERTO RICO ENERGY BUREAU:

COME NOW, LUMA ENERGY, LLC as Management Co., and **LUMA ENERGY
SERVCO, LLC** (collectively, LUMA), through the respective undersigned legal counsel and
respectfully state and submit the following:

1. The captioned proceeding involves oversight by this honorable Puerto Rico Energy
Bureau (“Energy Bureau”) of procedures to handle requests for interconnections of distributed
generation systems and microgrids to the Transmission and Distribution System (“T&D System”),
pursuant to Acts 57-2014 and 17-2019.

2. Per a Resolution and Order of August 27, 2021, *see* Resolution and Order (*nunc
pro tunc*) of August 27, 2021, on November 18, 2021, a compliance hearing was held in this
proceeding. During the compliance hearing, LUMA informed the progress made with the
remaining Net Energy Metering (“NEM”) backlog cases and projected a total backlog reduction
by December 2021. Commissioner Rivera De la Cruz requested LUMA inform of any significant

changes in the projected backlog numbers before submitting the next Interconnections Progress Report due in February 2022, including any delays.

3. LUMA respectfully requests that this Energy Bureau receive and accept the *DG Interconnection Informational Memo* submitted as Exhibit 1 to this Motion. In Exhibit 1, LUMA provides information on the current progress, recent challenges, and projections on the NEM backlog.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and **accept** the *DG Interconnection Informational Memo*, included herein as Exhibit 1 to this Motion.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this January 20th, 2022.

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. Notice will also be sent to the Office of the Independent Consumer Protection Office, Lcda. Hannia Rivera Diaz, hrivera@jrsp.pr.gov and to counsel for the Puerto Rico Solar Energy Industries Association Corp. (“SESA”), javrua@sesapr.org.



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Exhibit 1



DG Interconnection Informational Memo

NEPR-MI-2019-0016

January 20, 2022

DG Interconnection Progress Report

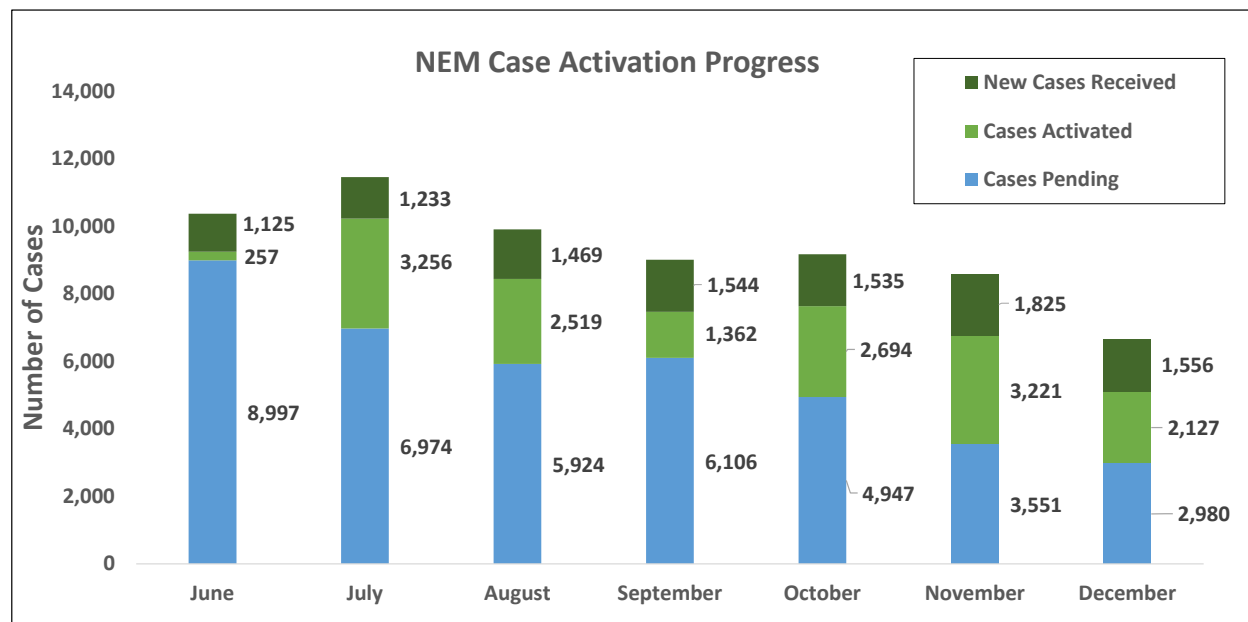
Introduction

During the November 18, 2021, Interconnection Progress Report hearing, LUMA explained that there was some uncertainty about the exact timing to resolve the backlog on Net Energy Metering (NEM) applications that existed on June 1, 2021, when LUMA began operations per the Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement of June 22, 2021. Commissioner Rivera de la Cruz, of the Puerto Rico Energy Bureau (“Energy Bureau”), requested that LUMA notify of any delays in meeting the estimated timelines to resolve the backlog. LUMA would like to notify the Energy Bureau that additional time will be required to complete the remaining cases in the backlog. This memo provides further information on LUMA’s progress to date, recent challenges, and projections.

Progress to Date

Upon commencement on June 1, 2021, LUMA inherited a backlog of over 8,000 NEM applications and a system that, on average, processed 400 applications per month. LUMA centralized and streamlined the application process, as explained in prior filings before the Energy Bureau. This resulted in steady progress to reduce the backlog. Since June 1, 2021, LUMA has activated NEM service for over 15,000 customers. LUMA’s initial projections forecasted the backlog to be resolved by the end of December 2021. Since LUMA last appeared before the Energy Bureau on November 18, 2021 to discuss the progress in reducing the backlog in NEM applications, LUMA activated more than 5,000 additional cases in the months of November and December 2021 (see Figure 1 below).

Figure 1. NEM Case Activation Progress (as of the end of the month)



*The November and December case activation numbers are preliminary and subject to change.

Recent Challenges

By the end of December 2021, LUMA had reduced the backlog down to roughly 2,980 cases pending-activation. The majority of the cases remaining are those that require a meter change. LUMA’s progress with these remaining meter change cases has been delayed.

DG Interconnection Progress Report

LUMA placed an order for roughly 9,000 meters at the end of November 2021, which would have exceeded our meter demand to finish the backlog as originally planned. However, similar to many businesses across all industries, LUMA is experiencing delays in receipt of goods and supplies due to global supply chain issues. Transportation congestion and recent increases in COVID-related delays have negatively impacted the availability and reliability of equipment and personnel.

Solutions

Once LUMA recognized the risk of shipping delays, LUMA started to identify immediate solutions. LUMA was able to receive an advanced delivery of 1,000 meters via air-shipment on January 20, 2022. The remaining ~8,000 meters have been loaded for transport via Sea Freight in Miami but have been delayed in shipping. We expect this remaining shipment of 8,000 meters to arrive at the end of January 2022. LUMA has placed orders to meet expected demand through mid-calendar year 2022.

LUMA is also working on refurbishing damaged meters as they are replaced. However, based on experience to-date, only roughly 30% of damaged meters can be fixed, and less than half of those are bi-directional. So, the refurbishing of damaged meters is not expected to significantly increase our inventory of useable bi-directional meters.

Conclusion

LUMA is expeditiously working to identify and mitigate risks in clearing the existing backlog and reach a steady state of operation in the months to come. In the immediate future, we expect that around 1,500 of the cases requiring meter change will be delayed an additional 1-3 months. We will provide an updated forecast during the upcoming quarterly Interconnection Report hearing, at which point we will have updated estimates based on actual shipping dates.