

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

IN RE: REVIEW OF LUMA'S INITIAL BUDGETS

CASE NO.: NEPR-MI-2021-0004

SUBJECT: Filing of Supporting Documents for Generation Budget Fiscal Year 2023.

RESOLUTION AND ORDER

On May 31, 2021, the Puerto Rico Energy Bureau of the Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order in which among other things, it approved the Initial Budgets for LUMA¹, which included the evaluation of the budget for all the components of the Puerto Rico Electric Power Authority ("PREPA") electric system: generation, transmission, distribution components ("May 31 Resolution").²

Luma
The May 31 Resolution required LUMA to file before the Energy Bureau, no later than October 31, 2021, the Fiscal Year 2023 proposed budgets in accordance with the process delineated in the 2017 Rate Order³. Upon request by LUMA⁴, on July 16, 2021, the Energy Bureau issued a Resolution and Order through which it modified the filing date of the Fiscal Year 2023 Budget to April 1, 2022.

Amor
On April 2, 2022, LUMA presented to the Energy Bureau a document titled *Submission of Annual Budgets for Fiscal Years 2023 Through 2025* ("FY23 Proposed Budget Filing"). As last year, the FY23 Proposed Budget Filing, it includes the FY23: LUMA Operating Budget and the PREPA FY3 Generation Budget.

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On April 8, 2022, PREPA filed a motion titled *Notice of Intent to File Detailed Explanation of the Generation Budget* ("PREPA Notice") in which PREPA informs the Energy Bureau that it will make a filing in the captioned case in support of the FY23 Generation Budget that was consolidated and presented by LUMA as part of its the FY23 Proposed Budget Filing, on or before April 13, 2022.

As per section 7.3(a) of the OMA⁵, LUMA has the obligation to file a proposed consolidated budget before the Energy Bureau that shall include the Generation Budget which is provided by PREPA.

Upon review of the PREPA Notice, the Energy Bureau **ORDERS** PREPA to:

1. Submit immediately to LUMA any supporting materials, work papers used in the development of the PREPA Generation Budget as well as any presentations and or information and documents to be used in any appearance during hearings and/or technical conferences before the Energy Bureau, for their filing before the Energy Bureau by LUMA;

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

² As part of the evaluation process conducted by the Energy Bureau, representatives of both PREPA and LUMA appeared before the Energy Bureau to answer the Energy Bureau's inquiries about the budgets proposed for the components of the system for which operation each one is responsible.

³ See Final Resolution and Order, *In re. Puerto Rico Electric Power Authority Rate Review*, Case No. CEPR-AP-2015-0001, January 10, 2017. Final Resolution, *In re. Puerto Rico Electric Power Authority Rate Review*, Case No. CEPR-AP-2015-0001, March 8, 2017.

⁴ See, motion filed by Luma titled *Request for Clarification or Amendment of May 31st Resolution and Order Approving LUMA's Initial Budgets*, June 8, 2021.

⁵ Transmission and Distribution System Operation and Maintenance Agreement of June 22, 2020 ("OMA").



2. Work together with LUMA and make the appropriate coordination efforts to ensure the timely and appropriate filing of all documentation necessary for the Energy Bureau's review and evaluation; and
3. Ensure that all relevant PREPA personnel and/or consultants involved in the development of the Generation Budget is available for any Technical Conference(s) that the Energy Bureau may schedule under the instant case and duly prepared to answer any questions the Energy Bureau may have regarding the foregoing.

The Energy Bureau **WARNS** PREPA that noncompliance with its orders, applicable laws and regulations may carry the imposition of significant fines and administrative penalties

Be it notified and published.


Edison Avilés Deliz
Chairman


Lillian Mateo Santos
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 April 11, 2022. Associate Commissioners Ángel R. Rivera de la Cruz and Ferdinand A. Ramos Soegaard did not intervene. I also certify that on April 11, 2022 a copy of this Resolution and Order was notified by electronic mail to the following: margarita.mercado@us.dlapiper.com; jmarrero@diazvaz.law and kbolanos@diazvaz.law. I also certify that today, April 11, 2022, 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 April 11, 2022.


Sonia Seda Gaztambide
Clerk

