

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

**NEPR**

**Received:**

**Jun 28, 2022**

**12:40 PM**

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

**CASE NO. NEPR-MI-2020-0001**

**SUBJECT:**

Motion in Compliance with Bench Order Issued at  
the Technical Conference Held on June 24, 2022

**MOTION SUBMITTING IN COMPLIANCE WITH BENCH ORDER ISSUED AT  
THE TECHNICAL CONFERENCE HELD ON JUNE 24, 2022**

**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. On May 31, 2022, LUMA filed before the Puerto Rico Energy Bureau (“Energy Bureau”) a *Motion Submitting CILTA, SUBA-HH, and SUBA-NHH Proposed Factors and Request for Confidential Treatment* (“May 31<sup>st</sup> Submission”). LUMA submitted the annual proposed contributions in lieu of taxes cost adjustment (“CILTA”), help to human subsidies (“SUBA-HH”), and non-help to human subsidies (“SUBA-NHH”) factors reconciliations. It also presented the CILTA, SUBA-HH and SUBA-NHH proposed riders to be applied from July 2022 until June 2023. As part of the filing, LUMA included excel spreadsheets filed publicly and confidential excel spreadsheets with formulae intact.

2. On June 15, 2022, LUMA filed before the Energy Bureau a *Motion Submitting Quarterly Reconciliations and FCA, PPCA and FOS Calculated Factors and Request for*

*Confidential Treatment* (“June 15<sup>th</sup> Submission”). With the June 15<sup>th</sup> Submission, LUMA included supporting documentation on the calculated quarterly reconciliations for the Fuel Charge Adjustment (“FCA”) and Purchased Power Charge Adjustment (“PPCA”) riders and the calculated factors for the FCA, PPCA, and Fuel Oil Subsidy (“FOS”) riders to be applied during the period from July 1<sup>st</sup> until September 30<sup>th</sup>, 2022.

3. On June 17, 2022, the Energy Bureau issued a Resolution and Order in which it requested LUMA and the Puerto Rico Electric Power Authority (“PREPA”), to provide, or clarify, certain information concerning the submissions filed in the past weeks, on or before June 22, 2022, at 10 a.m. Additionally, the Energy Bureau scheduled a Technical Conference on June 24, 2022, at 10 a.m. to discuss the above-mentioned submissions.

4. On June 24, 2022, the Technical Conference for this instant proceeding was held. During the hearing, the Commissioners made three (3) requests for information to the LUMA representatives. The requests for information are the following:

- a. Provide sensitivity analysis; of the impact of a \$2 drop on natural gas prices.
- b. Provide data on peak reserve forecast amounts for the summer months.
- c. Provide information on whether LUMA has begun to implement consumer education programs for energy conservation and what mechanisms LUMA has in place.

5. In compliance with the June 24<sup>th</sup> Bench Order, LUMA respectfully submits its responses to the requests for information posed during the Technical Conference as Exhibit 1 to this Motion.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned, **accept** the documents included as Exhibit 1 to this Motion, and **deem** LUMA complied with the June 24<sup>th</sup> Bench Order.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this June 28<sup>th</sup> 2022.

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](mailto:kbolanos@diazvaz.law), and to the Independent Consumer Protection Office, through Director Hannia Rivera, [hrivera@oipc.pr.com](mailto:hrivera@oipc.pr.com).



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Exhibit 1

Response

# Permanent Rate June 24, 2022 Technical Conference Information Request Response

## NEPR-MI-2020-0001

### Response: TCIR-LUMA-MI-2020-0001-20220628-PREB-01

#### SUBJECT

Permanent Rate

#### REQUEST

LUMA to provide a sensitivity analysis of the impact of a \$2.00 drop on natural gas prices.

#### RESPONSE

After deducting \$2/MMBtu from the forecasted Natural Gas price, results of a simple sensitivity analysis showed that the total savings in fuel costs would be approximately 3.7% (\$34.4 million) for the quarter.

Total Fuel Costs	Forecasted price in PROMOD	After \$2/MMBtu reduction on N.G.
July	\$327,850,776	\$315,690,082
August	\$311,087,238	\$299,938,339
September	\$285,492,698	\$274,406,644
Q1 FY2023	\$924,430,712	\$890,035,065

The revised assumptions where:

LNG San Juan	Forecasted price in PROMOD	After \$2/MMBtu reduction on N.G.
July	\$17.30/MMBtu	\$15.30/MMBtu
August	\$17.28/MMBtu	\$15.28/MMBtu
September	\$17.24/MMBtu	\$15.24/MMBtu

LNG ECO & C.S.	Forecasted price in PROMOD	After \$2/MMBtu reduction on N.G.
July	\$15.40/MMBtu	\$13.40/MMBtu
August	\$15.38/MMBtu	\$13.38/MMBtu
September	\$15.34/MMBtu	\$13.34/MMBtu

# Permanent Rate June 24, 2022 Technical Conference Information Request Response

## NEPR-MI-2020-0001

### Response: TCIR-LUMA-MI-2020-0001-20220628-PREB-02

#### SUBJECT

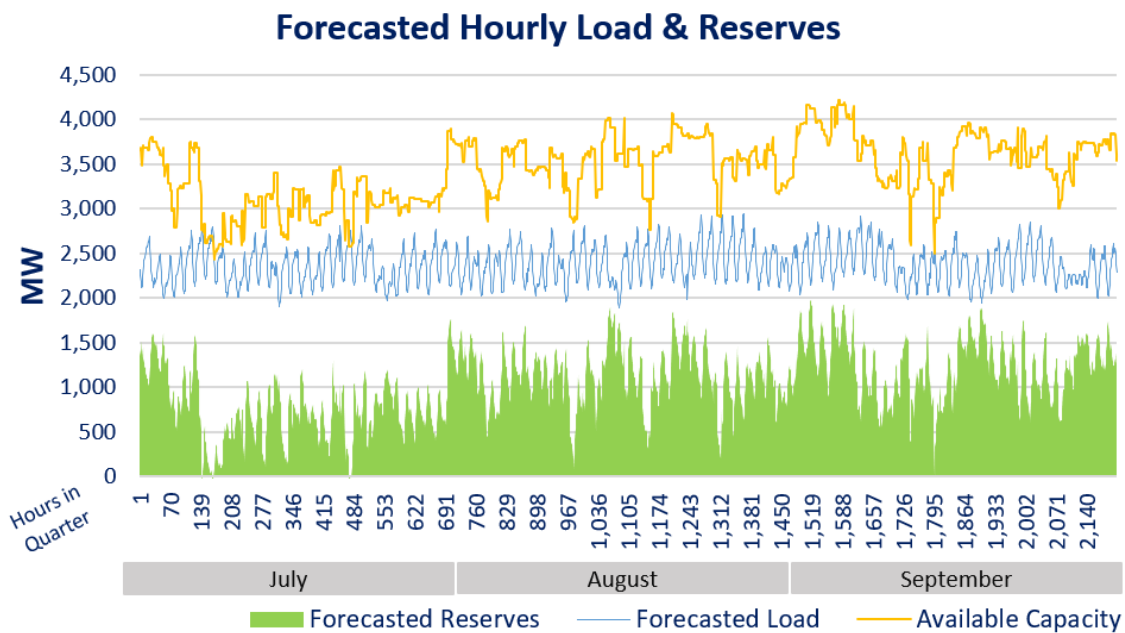
Permanent Rate

#### REQUEST

LUMA to provide data of peak reserve forecast amounts for Summer Months.

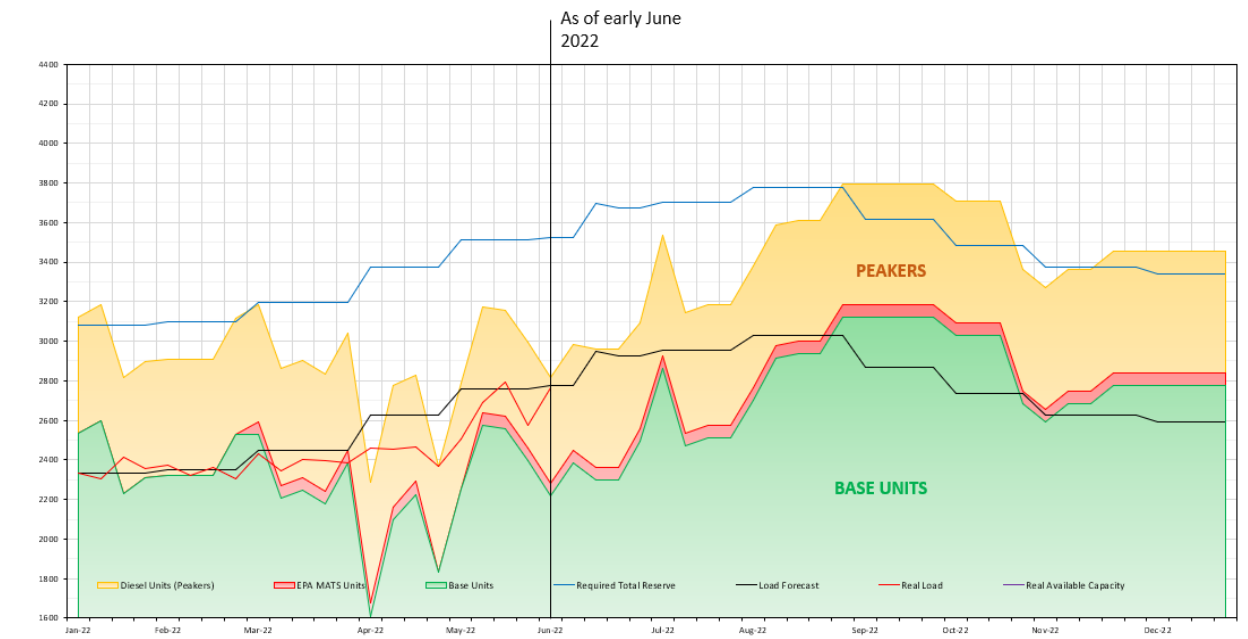
#### RESPONSE

Based on the PROMOD run completed for the Q1 FY2023 FCA and PPCA factors, performed on June 9, 2022, the peak demand for any given hour during the summer months will be 2,960 MW on August 26, 2022 at 9:00pm, and the peak reserves will be 1,977 MW on September 2, 2022 at 5:00am. It should be noted that there are hours within July where forecasted load is not met with forecasted available capacity.



LUMA also includes the graph below which shows that generation availability year-to-date is lower than forecasted availability for the summer 2022 months and fall / winter 2022 as it is anticipated that several units will be returning to service. The below analysis is as of early July 2022 and does not incorporate updated outage schedules received from PREPA since this analysis was completed. Any delays in returning generation units to service will result in a decrease in availability through the summer months.

Generation Outage Schedule  
 Load Forecast vs Generation Availability  
 January to December 2022



# Permanent Rate June 24, 2022 Technical Conference Information Request Response

## NEPR-MI-2020-0001

### Response: TCIR-LUMA-MI-2020-0001-20220628-PREB-03

#### SUBJECT

Permanent Rate

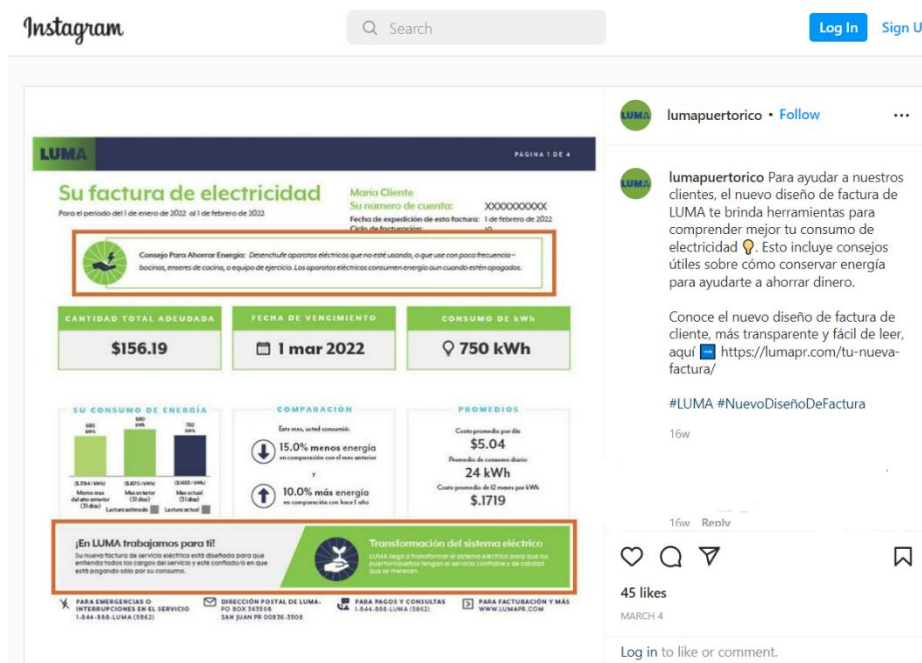
#### REQUEST

LUMA to provide information on whether it has begun implementing consumer education programs for energy conservation, and what mechanisms LUMA currently has in place.

#### RESPONSE

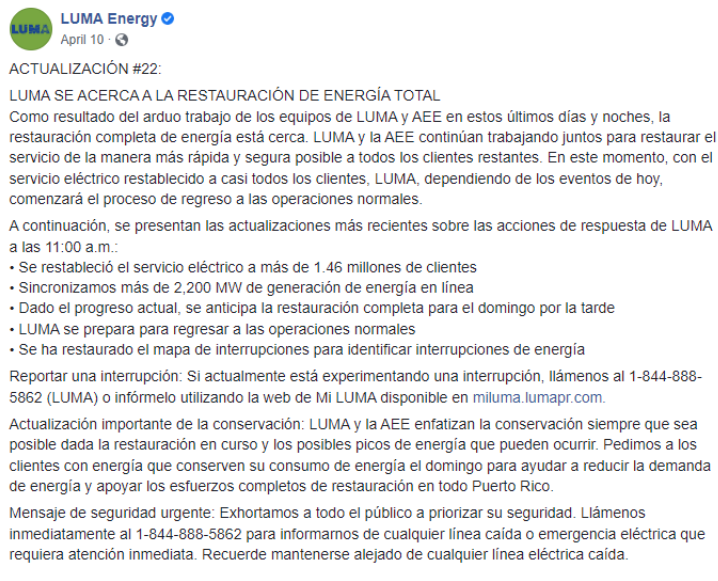
LUMA understands the importance of energy conservation and encourages its customers to save energy through various methods.

In March 2022, LUMA released a new customer bill which includes tools for customers to better understand their electricity usage, such as energy conservation tips to help the customer save money. LUMA shared the news through multiple social media platforms to ensure customers were informed of the new information, an example of which can be seen in the image below.

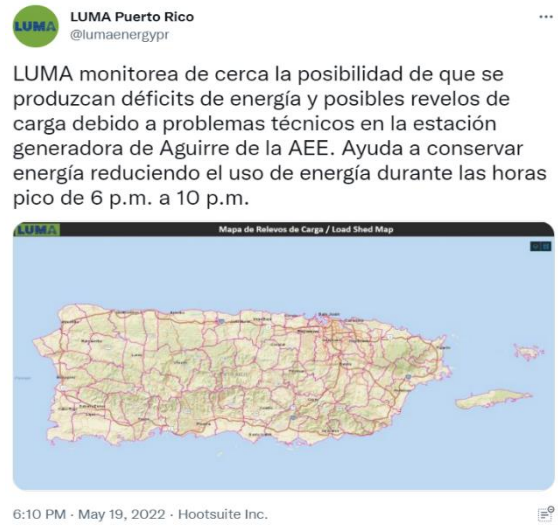




LUMA also provides conservation messages to customers around specific events – for example on April 9 and 10<sup>th</sup>, 2022, LUMA, through its multiple social media accounts, encouraged its customers to conserve their energy consumption to help reduce energy demand as LUMA restored the system from the April 6, 2022 event.



LUMA is also pre-emptively providing notice to customers when there is a potential generation shortfall event. In the examples below, LUMA encouraged its customers to practice prudence in energy consumption especially during peak hours and provided tips on how to do so, examples of which can be seen in the images below.



In addition to providing conservation-oriented bill insights and event related social media messaging, LUMA also runs ongoing social media energy saving campaigns, in which it provides simple energy conservation knowledge and tips, that can have a big impact, not only on the environment, but also on a customer’s bill. LUMA also provides energy conservation tips to its costumers, which is available on LUMA’s website: <https://lumapr.com/residencial/ahorrando-energia-y-dinero/>



LUMA Energy

May 18 · 🌐



¿Lo sabías?

Las "cargas fantasmas" son la electricidad que utilizan los aparatos electrónicos cuando están apagados pero enchufados. Esto puede ser una fuente principal de desperdicio de energía.

Se calcula que el 75 % de la energía utilizada para alimentar aparatos electrónicos se consume cuando están apagados.

Puedes utilizar enchufes múltiples inteligentes, los que evitan esto apagando el consumo de energía cuando los aparatos no están en uso.

#ConservaEnergía #Sostenibilidad #LUMA See less



LUMA Energy

May 18 · 🌐



LUMA exhorta encarecidamente a nuestros clientes a practicar la prudencia en el consumo de la energía, especialmente durante las horas pico de 6:00 p. m. a 10:00 p. m., para conservar los recursos naturales y reducir la demanda de energía en el sistema.

Asegúrese de que las habitaciones en su hogar estén adecuadamente selladas, que los filtros del aire acondicionado se limpien mensualmente y que se mantenga una temperatura de aproximadamente 68 grados Fahrenheit.

#ConservaEnergía #Sostenibilidad #LUMA See less