

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

NEPR

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**IN RE: DESPLIEGUE DE
INFRAESTRUCTURA DE CARGADORES
PARA VEHICULOS ELECTRICOS**

CASE NO. NEPR-MI-2021-0013

**SUBJECT: Submittal of LUMA's Presentation for
Compliance Technical Hearing Scheduled for June 15,
2022**

**MOTION SUBMITTING LUMA'S PRESENTATION FOR COMPLIANCE
TECHNICAL HEARING SCHEDULED FOR JUNE 15, 2022**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES now **LUMA Energy ServCo, LLC** ("LUMA"), through the undersigned legal counsel, and respectfully states and requests the following:

1. On November 18, 2021, this Energy Bureau of the Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order (the "November 18th Order") setting forth directives for initiating the electric vehicle ("EV") infrastructure deployment, including principles to guide the adoption of plans, regulations and procedures related to the electric vehicle energy sector in Puerto Rico (the "Principles").

2. Among others and in pertinent part, in the November 18th Order, the Energy Bureau ordered LUMA to: (a) file with the Energy Bureau, on or before September 1, 2022, a First Phase of an EV Charging Infrastructure Deployment Plan ("Phase I EV Plan") reflecting the Principles and meeting a list of requirements set forth in the November 18th Order (*see* November 18th Order at p. 4); (b) file on or before May 31, 2022 a proposal for meeting the requirements specified in the November 18th Order ("Rate Design Proposal") (*see id.* at pp. 5-9); and (c) attend Compliance Technical Hearings (referred to as Compliance Technical Hearings No. 1, No. 2 and No. 3) every

three months in connection with the Phase I EV Plan preparation, scheduled for February 25, 2022¹, May 31, 2022, and August 31, 2022, respectively (*see id.* at p. 5).

3. After other procedural events, on May 19, 2022, this Energy Bureau issued a Resolution and Order (the “May 19th Order”) amending the dates and certain associated tasks established in the November 18th Order, providing for: (i) the filing of a draft of the Rate Design Proposal by May 31, 2022; (ii) the rescheduling of the Compliance Technical Hearing No. 2 to June 15, 2022 at 1:00 pm; (iii) the filing of a final Rate Design Proposal on June 30, 2022; (iv) the filing of a draft of the Phase I EV Plan for September 1, 2022; (v) the rescheduling of the Compliance Technical Hearing No. 3 to September 15, 2022, at 1:00 pm; and (vi) the filing of the final Phase I EV Plan on September 30, 2022. *See* May 19th Order at p. 1.

4. Regarding the Compliance Technical Hearings No. 2 and No. 3, the Energy Bureau ordered LUMA to ensure that it is ready at these hearings to “(i) inform the Energy Bureau on the efforts completed and/or in progress towards the timely filing of the Phase I EV Plan; and (ii) discuss how such efforts ensure compliance with the information/content requirements established by the Energy Bureau”. *See id.*

5. On May 31, 2022, LUMA submitted to the Energy Bureau the draft of the Rate Design Proposal in compliance with the November 18th Order, as amended by the May 19th Order (the “Draft EV Rate Design Proposal”). *See* LUMA’s *Motion Submitting Draft of EV Rate Design Proposal* filed on May 31, 2022, at Exhibit 1.

5. LUMA hereby submits the Presentation that LUMA proposes to provide during Compliance Technical Hearing No. 2 scheduled for June 15, 2022, in connection with the Draft Rate Design Proposal and the preparation of the draft Phase I EV Plan.

¹ This First Compliance Technical Hearing was thereafter postponed to and held on March 4, 2022. *See* Energy Bureau’s Resolution and Order entered on February 22, 2022.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and accept LUMA's Presentation in Exhibit 1 herein to be provided by LUMA during the Compliance Technical Hearing scheduled for June 15, 2022.

RESPECTFULLY SUBMITTED

In San Juan, Puerto Rico, this 15th day of June 2022.

We hereby certify that we filed this motion using the electronic filing system of this Energy Bureau and that we will send an electronic courtesy copy of this motion to the attorneys for PREPA, Joannely Marrero-Cruz, jmarrero@diazvaz.law and Katuska Bolaños-Lugo, kbolanos@diazvaz.law. LUMA understands that other participants or stakeholders in this proceeding will be notified as a result of the publicity of the filings in this process. Notwithstanding, LUMA will send a courtesy copy of the filing to the following stakeholders: agallosa@aggpr.com; alberto.cortes@warrenecm.com; aldo@skootel.com; angel.d.rodriguez@outlook.com; antonio@velocicharge.com; azayas@azeng.net; bigwheelcorp@gmail.com; blazquezmalu@gmail.com; carloxcdeno@gmail.com; clrivera@caguasexpressway.com; flota@caguasexpressway.com; cnegrette@solrenew.com; CR.Tejera@ddec.pr.gov; dacosta@aggpr.com; daniel.perez@totalenergies.pr; dcordero@group-em.com; divine.energy@hotmail.com; eduardo.pinera@toyota.com; Edwin.Acevedo@ddec.pr.gov; emelyies.torres@toyota.com; epenergypr@gmail.com; erica.cosme@gsonnell.com; Fberrios@peritoselectricistas.org; francisco.berrios@hotmail.com; franciscojrullan@yahoo.com; gerard.berlinski@toyota.com; gerardo_cosme@solartekpr.net; gperez@solrenew.com; hamely@motorambar.net; ialsina@plazalasamericas.com; idiaz@glenninternational.com; info@carlosmatta.com; ismael.diaz@warren-ecm.com; jack@pantekpartners.com; jameauxi@aim.com; jan.rodriguez@toyota.com; [javrua@sesapr.org](mailto:javrva@sesapr.org); jbouza@caguasexpressway.com; jcardona@aggpr.com; jorrodriguez@motorambar.net; jortiz@caguasexpressway.com; jose.maeso@crowley.com; jpibernus@motorambar.com; JSantana@motorambar.com; jtosado@motorambar.net; juan.diaz.galarza@guidehouse.com; jvazquez905@gmail.com; jwilliams@solrenew.com; kenan.d.davila@sargentlundy.com; kkoch@tesla.com; l.marcano@aconer.org; lsundeen@tesla.com; Iuisgmoreno@gmail.com; Marangelly.Cruz@toyota.com; Maria.rivera@lumapr.com; marilyn.maldonado@toyota.com; Melvin.Ayala@lumapr.com; mlandron@plazaad.com; nannette.berrios@solpetroleum.com; nmontes@ccmpr.com; nrodriguez@senado.pr.gov; nsantos@glenninternational.com; Ochavez@Padigm.com; odette@grupofernandezpr.com; omundo@plazalasamericas.com; pablo.rivera@hitachipowergrids.com; patlopez00@gmail.com; dany.oliva@toyota.com; pjcleanenergy@gmail.com; rdiaz@glenninternational.com; repagan@burnsmcd.com; rry@tcm.law; Ruben.Gonzalez@pumaenergy.com; rvega@guidehouse.com; shehaly.rosado@ddec.pr.gov; Veronica@pantekpartners.com; Victor.Aponte@toyota.com; victor.martinez@totalenergies.pr; wilfredsonllc@gmail.com; zlopez@efonalledas.com; dany.oliva@toyota.com; damaris.quinones@toyota.com; heriberto.gines@toyota.com; nancy.navales@toyota.com.



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Exhibit 1

LUMA's Presentation for Compliance Technical Hearing No. 2 on June 15, 2022



Deployment of Electric Vehicle Infrastructure Compliance Hearing 2

NEPR-MI-2021-0013
June 15th, 2022

Agenda

- Introduction and Objectives
- Safety Moment
- LUMA's Mission
- Recent Progress
- Process and Status of Phase 1 EV Plan
- Overview of Phase 1 EV Plan and EV Rate Proposal
- Next Steps
- Questions and Discussion

Objectives

- Communicate Planned Process and Status of Phase 1 EV Plan Development
- Provide Overview of Initial Overview of Phase 1 EV Plan
- Gather Feedback, Identify Appropriate Next Steps and Timeline
- Open Discussion

Safety Moment – Hurricane Preparedness

- Being ready for a hurricane season requires preparation, knowing the risk, and making a plan. Also, it is important to listen to the informative bulletins of the Government of Puerto Rico and the Bureau of Emergency and Disaster Management (NMEAD).
 - You may have to evacuate quickly if you live in an evacuation zone. Learn your evacuation routes, practice with your household and pets, and identify where you will stay.
 - Keep your cell phone charged and purchase backup charging devices to power electronics.
 - For more information, please visit [ready.gov](https://www.ready.gov).

LUMA's Mission

LUMA and our more than 3,000 co-workers are working hard every day to build a more reliable, more resilient and cleaner energy system for the 3.2 million friends, family and neighbors who we are privileged to serve.

- LUMA fully supports the growth of solar and clean energy across Puerto Rico – it's what the Puerto Rican people want, and that is why we are empowering the growth of clean and renewable energy.
- In the past twelve months, we have been working closely with the Energy Bureau to accelerate the adoption of renewable energy to reduce the dependence on imported fuel to generate electricity.
- Our shared goal is to create a future that will put the days of Puerto Rico's dependence on high-cost fuels behind us.
- By working together, we can continue to accelerate the adoption of renewable energy and deliver the energy system the people of Puerto Rico expect and deserve.

Recent Progress

- Connecting over **25,000 customers to new clean energy distributed generation, representing over 130 MW, in only 12 months**, compared to approximately 26,000 connections made by PREPA over 10 years.
- **Activating an average of approximately 2,100 new clean energy distributed generation services per month vs PREPA's historical average of approximately 450 per month.**
- **Reducing the average time for approval of new solar/net metering customer connections to 14 days** in our Q3 reporting period.
- Solving nearly all of PREPA's backlog of **thousands of customers that were waiting for solar connections** – in some cases for years – in just 12 months.

Process to Develop Phase I EV Plan

As a reminder, LUMA has been progressing through the activities outlined below to develop the Phase 1 Plan:



- 1. Initiate EV Effort:** Activate project team, define key deliverables, align on final project plan and timeline.
- 2. Develop Strategy and Roadmap:** Determine LUMA's strategy and role in the EV infrastructure value-chain. Develop initial list of candidate residential programs, pilots, and projects.
- 3. Forecast EV Adoption:** Develop preliminary EV adoption forecast scenarios.
- 4. Complete Rate Design Proposal:** Prepare design of residential EV tariff(s) that will be required for EV supply equipment (EVSE) and accompanying filing.
- 5. Develop EV Program Framework:** Develop preliminary Program Plan(s).
- 6. Finalize Phase 1 Plan:** Finalize Phase I EV Charging Infrastructure Deployment Plan for filing with PREB.

EV Phase I Plan Status

G On target
 Y Caution
 R Off plan
 C Complete

Key Activity Summary	Key Milestones	Status
<p><u>Near-term Activities</u></p> <ul style="list-style-type: none"> Incorporate feedback into Draft Rate Design Proposal Develop initial list of candidate residential programs - Includes already planned LUMA programs (reliability, repair, AMI) Develop preliminary Program Plan(s) - Includes objectives, eligibility, rate/incentive, program administration, marketing, budget, impacts, schedule, etc. <p><u>Medium-term Activities</u></p> <ul style="list-style-type: none"> Continue to engage key organizations for stakeholder outreach Begin development of Phase 1 EV Plan document 	Establish Working Team and Engage Consultant	C
	Develop EV Infrastructure & Strategy Roadmap	C
	Initiate Stakeholder Outreach	C
	Develop Preliminary EV Adoption Forecast Scenarios	C
	File Draft Rate Design Proposal	C
	Develop EV Program Framework	G
	File Phase I EV Charging Infrastructure Plan	G
	Uncertainties	
	<ul style="list-style-type: none"> Evolving landscape of public policy and funding opportunities Rapidly changing market dynamics Technology requirements to enable EV programs Customer engagement, education, and awareness 	



EV Phase I Plan Schedule

Today

Task	Description	Status	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	July 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022
1	Establish Working Team	Complete	★	●										
2	Develop Strategy and Roadmap for EV Support	Complete		●			★							
3	Forecast EV Adoption	Complete						●						
4	Complete EV Rate Design Proposal	Complete						◆	◆					
5	Develop EV Program Framework	In Progress									◆			
6	Finalize Phase 1 Plan	Not Started										●	◆	

Overview of Phase 1 EV Strategy

Phase 1 Requirements

- ❑ Identify near-term transportation electrification actions LUMA can take to **address barriers to EV adoption** in the residential sector.
- ❑ Identify a **portfolio of actions**, including investments and infrastructure to support EVs, rate design, programs, and services to contribute to public policy objectives.
- ❑ File a draft **proposal for rates** related to EV charging and/or load management efforts to control the timing of charging in the residential sector.
- ❑ **Address disadvantaged communities**, through programs to enable vehicle charging access to multifamily buildings and renters, low-income customers, and public transit; address barriers to adoption.
- ❑ **Minimize electricity system impacts** from increased electrification of the transportation sector.
- ❑ Provide information relating to the various programs and initiatives LUMA proposes within the **Phase 1 EV Plan**.

LUMA's EV Market Strategy

Near-Term Strategy

- ❑ Prepare the grid for the increased EV adoption
- ❑ Serve as a trusted source to provide EV information
- ❑ Facilitate integration of EV infrastructure
- ❑ Provide & maintain critical infrastructure to support EV growth

Long-Term Strategy

- ❑ Increase accessibility to public charging through collaboration & implementation
- ❑ Provide access to locations not viable for service by private market

EV Market Barriers



Lack of Awareness & Understanding: Include misconceptions, range anxiety, uncertainty about new technology



High Initial Costs: Include upfront costs to own and operation EVs (vehicle and charging equipment)



Infrastructure Readiness & Availability: Include the accessibility, availability and reliability of the grid, IT/OT systems, and EV charging infrastructure

Proposed Near-Term Solutions



Marketing, Education & Outreach Initiatives: Online educational tools for customers, advisory support for developers, coordination with stakeholders



EV Benefits & Incentives Initiatives: Implementation of EV rate pilots and managed charging programs



Infrastructure Initiatives: Development of interconnection processes, EV hosting capacity tools, EV readiness checklist, grid and technology improvements



Overview of EV Rate Proposal

Objectives

- ❑ Focus on residential and low-income sector and primarily on home EV charging infrastructure.
- ❑ Minimize electricity system impacts of EV charging.
- ❑ Address the unique needs of and opportunities for customers with DG and/ or battery storage.
- ❑ Be synchronized with implementation of residential time-of-use rates, to the extent possible.
- ❑ Support Puerto Rico's climate and energy and public policy.
- ❑ Include a fair and equitable cost allocation and recovery mechanism.

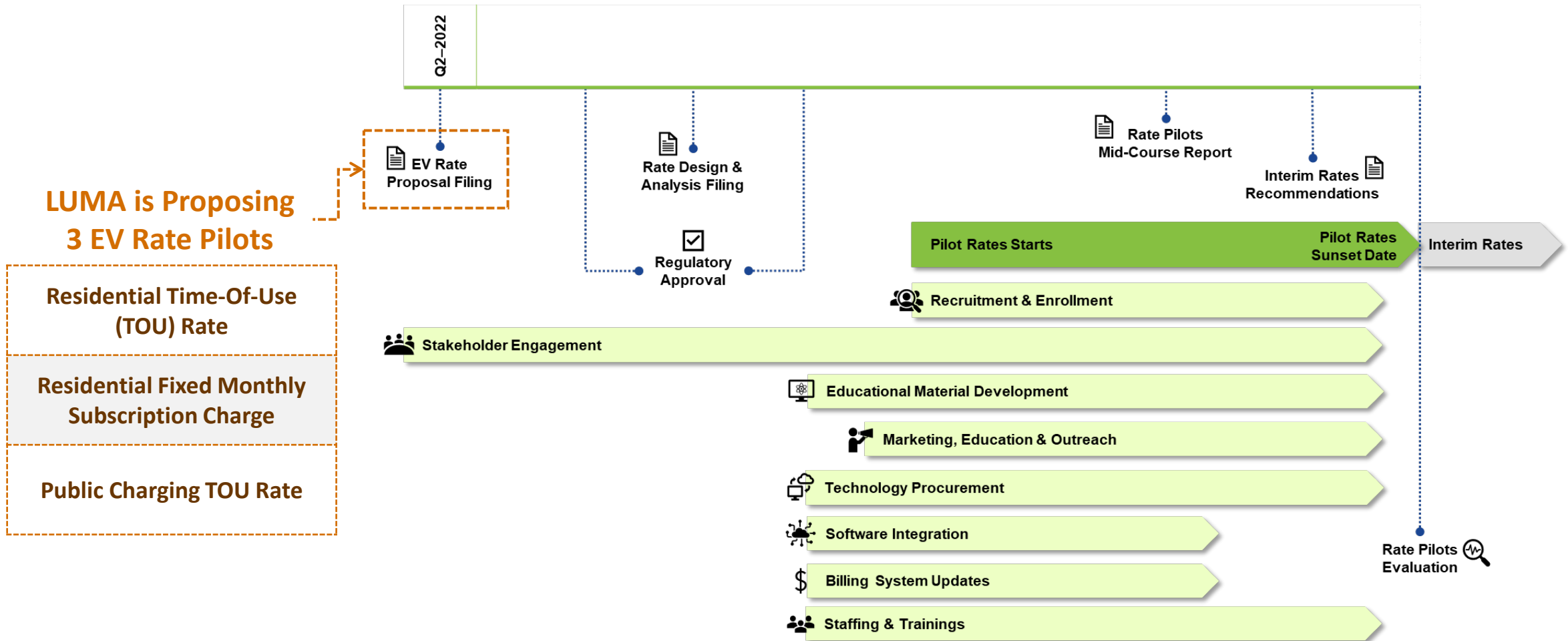
Proposed EV Rate Structures

LUMA reviewed EV rates offered by 36 other utilities and evaluated their suitability in meeting PR's objectives and constraints.

The following were identified as the most suitable options for initial pilots:

- 1. Residential TOU:** Time-varying rate that offers cheaper rates when electricity demand (and price) is lower and higher rates during the daily peak.
- 2. Monthly Subscription with Managed Charging:** Fixed monthly price for EV charging (with a maximum limit) with managed charging capability.
- 3. Public Charging TOU:** A TOU rate with reduced demand charge for publicly accessible EV chargers.

Draft EV Rate Proposal



Next Steps

- Incorporate feedback from the EV Rate Proposal, filed on 5/31/2022
- Develop Phase I EV Plan



Thank You

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