

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

**IN RE:** INTERRUPCIÓN DE SERVICIO  
ELÉCTRICO DE 6 DE ABRIL DE 2022

**CASE NO.:** NEPR-IN-2022-0002

**SUBJECT:** Costa Sur Outage Event, April 6,  
2022, Root Cause Evaluation. Request of  
Information to LUMA and PREPA.

**RESOLUTION AND ORDER**

**I. Introduction**

On April 6, 2022, at approximately 8:40pm, an event in the electrical system leaves approximately 1.2 million clients without electrical power ("Incident").<sup>1</sup> LUMA<sup>2</sup>, the transmission and distribution system operator of the Puerto Rico electric grid, posted several messages at its WEB Page to inform about the Incident.<sup>3</sup> In compliance with Section 5.14(b) of the Operation and Maintenance Agreement<sup>4</sup> ("OMA"), LUMA filed before the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") a report of the Incident, updated at 12:00pm of April 7, 2022 ("Emergency Notification").

On April 8, 2022, the Energy Bureau issued a Resolution and Order ("April 8 Order") to initiate an Investigative Procedures of the Incident. The Energy Bureau also ordered LUMA to file the Final Report of the Incident on or before April 18, 2022.

On April 18, 2022, LUMA filed a *Motion Submitting Updated Report and Request for Confidential Treatment* ("April 18 Motion"). LUMA informs it "is conducting a thorough investigation of the April 6<sup>th</sup> Incident, including an independent forensic assessment of the failed equipment. To this end, LUMA hereby informs that, a third-party investigation firm, Exponent, has been retained to assist with the investigation and analysis of the April 6 Incident"<sup>5</sup>.

On October 4, 2022, LUMA filed a *Motion Submitting Root Cause Evaluation of the April 6 Incident and Request for Confidential Treatment* ("October 4 Motion"). The October 4 Motion includes the *Costa Sur Outage Event, April 6, 2022, Root Cause Evaluation*<sup>6</sup> performed by Exponent.

According to Section 15.01 of Regulation No. 85437, the Energy Bureau "by itself or through a designated person, may carry out the investigations it deems pertinent to ensure compliance with public energy policy".

<sup>1</sup> Resolución y Orden, *In re: Interrupción de Servicio Eléctrico de 6 de abril de 2022*, Case No.: NEPR-IN-2022-0002, April 8, 2022.

<sup>2</sup> LUMA Energy, LLC as Management Co, and LUMA Energy ServCo, LLC as ServCo (Collectively, "LUMA").

<sup>3</sup> Available at: <https://lumapr.com/anuncios-especiales/> Post online by LUMA on April 6, 2022 (Last visit, October 19, 2022)

<sup>4</sup> *Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement* signed by the Puerto Rico Power Authority, LUMA and the Puerto Rico Public-Private Partnerships Authority. on June 22, 2020.

<sup>5</sup> April 18 Motion, p.4.

<sup>6</sup>See, October 4 Motion, Exhibit 2.

<sup>7</sup> *Regulation of Adjudicative, Notice of Noncompliance, Rate Review and Investigation Procedures*, December 18, 2014.



## II. Independent Assessment of the Costa Sur Outage Event, April 6<sup>th</sup> 2022, Root Cause Evaluation


The Energy Bureau is the regulatory entity responsible for oversee and ensure the full execution and implementation of the Puerto Rico Energy Public Policy.<sup>8</sup> Under Act 57-2014, the Energy Bureau is responsible for establishing and implementing the regulatory actions to guarantee the capacity, reliability, safety, efficiency and reasonability of electricity rates of Puerto Rico.<sup>9</sup> In addition, the Energy Bureau has jurisdiction and broad powers to investigate any matter that refers to compliance with laws that affect the execution of the public energy policy.<sup>10</sup> the public policy establishes that every consumer has the right to have a reliable, stable and excellent electricity service.<sup>11</sup>

According to Section 15.01 of Regulation No. 8543<sup>12</sup>, the Energy Bureau “by itself or through a designated person, may carry out the investigations it deems pertinent to ensure compliance with public energy policy”.

As part of its Investigative Procedures, the Energy Bureau has acquired the professional services of Electric Power Research Institute, Inc. (“EPRI”) to provide Major Disturbance Investigation Support of the April 6<sup>th</sup>, 2022, electric power blackout in Puerto Rico. EPRI is an independent, nonprofit organization with a mission to deliver objective, unbiased research, and development for public interest with focus on enhancing quality of life through making electric power safe, reliable, affordable, and environmental responsible.

## III. Conclusion

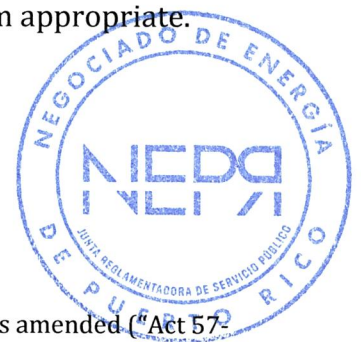
The Energy Bureau **ORDERS** LUMA, **within a term of five (5) days** from the notification of this Resolution and Order to submit the following documents:

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- (1) *Hitachi Energy, LUMA OCB Circuit Breaker Failure: Field Service Inspection Report, 2022-06-27.*
  - (2) *Independent Engineering Report PREPA Transmission and Distribution System prepared by Sargent & Lundy, Report No. SL-014468.TD, dated June 2019.*
  - (3) *LUMA Transmission Reliability Standards and Critical Infrastructure, dated July 12, 2022.*
  - (4) *PREPA Letter Análisis Estadístico y Proyecto de la Conservación de Equipos Eléctricos de la Subdivisión de Conservación Eléctrica; dated October 19, 2016.*
  - (5) *LUMA Substation Assessment Costa Sur; dated July 26, 2021*
  - (6) *Operating Procedure Number 401-C.S.5&6, dated September 1, 1977.*

The Energy Bureau **ORDERS** PREPA and LUMA to cooperate with EPRI in all matters described and any further pertinent requests issued directly from EPRI.

The Energy Bureau **WARNS** PREPA and LUMA that, pursuant to Article 6.36 of Act 57-2014, noncompliance with the Energy Bureau’s orders or applicable legal requirements may carry the imposition of administrative fines of up to twenty-five thousand dollars (\$25,000) per day, per violation and/or other sanctions that the Energy Bureau may deem appropriate.

Be it notified and published.



<sup>8</sup> See, Act No. 57-2014 known as *The Puerto Rico Energy Transformation and RELIEF Act*, as amended (“Act 57-2014”).

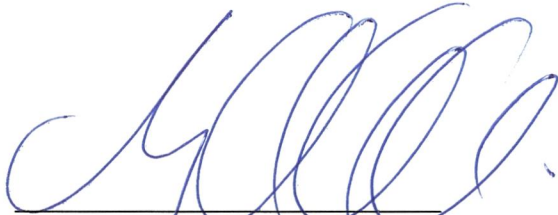
<sup>9</sup> Act 57-2014, Article 6.3 (c).

<sup>10</sup> Id., Article 6.24(e).

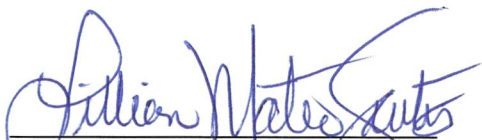
<sup>11</sup> See, Article 1.2(l) of Act No. 17-2019 known as the *Puerto Rico Energy Public Policy Act*, (“Act 17-2019”).

<sup>12</sup> *Regulation of Adjudicative, Notice of Noncompliance, Rate Review and Investigation Procedures*, December 18, 2014.





Edison Avilés Deliz  
Chairman



Lillian Mateo Santos  
Associate Commissioner



Ferdinand A. Ramos Soegaard  
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 October 19, 2022. I also certify that on October 19, 2022, a copy of this Resolution and Order was notified by electronic mail to Yahaira.delarosa@us.dlapiper.com; kbolanos@diazvaz.law. I also certify that today, October 19, 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 October 19, 2022.



Sonia Seda Gaztambide  
Clerk

