

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

NEPR
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IN RE:

IN RE: PUERTO RICO ELECTRIC POWER
AUTHORITY PERMANENT RATE

CASE NO. NEPR-MI-2020-0001

**SUBJECT: Informative Motion on Preliminary Monthly
Reconciliation of FCA, PPCA, and FOS Riders Factors**

**INFORMATIVE MOTION ON PRELIMINARY MONTHLY RECONCILIATION OF
FCA, PPCA, AND FOS RIDERS FACTORS AND PROPOSING DATE TO FILE THE
MONTHLY RECONCILIATION AND CALCULATED FACTORS**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES now **LUMA Energy ServCo, LLC** (“LUMA”), and respectfully states and requests the following:

1. LUMA’s duties over system regulatory matters pursuant to Section 5.6 of the Puerto Rico Transmission and Distribution Operation and Maintenance Agreement (“T&D OMA”) as supplemented by the Puerto Rico Transmission and Distribution System Supplemental Terms Agreement, include preparation of the required reconciliations for the Fuel Clause Adjustment (“FCA”), Purchased Power Clause Adjustment (“PPCA”), and Fuel Oil Subsidy (“FOS”) riders. Because LUMA does not purchase or manage fuel for power generation, it requires information from the Puerto Rico Electric Power Authority (“PREPA”) on monthly generation and consumption data and fuel costs, to prepare these reconciliations.

2. Per the PREPA Book of Tariffs that was approved by this Energy Bureau, when in a given month the actual purchase power and fuel costs exceeds the forecasted costs by more than \$20 million, PREPA shall recalculate the FCA and PPCA factors.

3. To keep this Puerto Rico Energy Bureau (“Energy Bureau”) informed of the results of the calculations on the reconciliation of fuel and purchased power costs for April 2023, LUMA performed a preliminary reconciliation of the FCA, PPCA, and FOS riders for April 2023.

4. LUMA hereby informs that, for the month of April 2023, the fuel costs and the prior period adjustments (FCA) were \$146,565,151.33 and revenues totaled \$182,874,550.21. There was an excess revenue of \$36,309,398.88.

5. It is further informed that, for the month of April 2023, the purchased power costs and the prior period adjustments (PPCA) were \$42,262,238.26 and revenues totaled \$44,871,121.59. There was an excess revenue of \$2,608,883.33.

6. LUMA also notes that, for the month of March 2023, there was an excess revenue of \$9,688,293.48 pertaining to the FCA and a revenue insufficiency of \$7,898,489.77 pertaining to the PPCA.

7. Considering the reconciliation amounts for the previous two (2) months, LUMA plans to recalculate the factors and submit the monthly reconciliation and calculated factors with supporting files for consideration by this Energy Bureau. LUMA requires until May 18, 2023, to complete the submission, including an updated forecast for June 2023. Because fuel prices and other factors may vary from week to week, updating the projected fuel costs for the month of June 2023 is crucial for the calculation of the factors since the projection might differ from what was projected in the March 2023 quarterly reconciliation filing.

8. As LUMA has explained in prior filings, it does not own or operate generation facilities nor purchase any fuel for generation. LUMA’s costs of operations are not included in the FCA and PPCA riders. The PREPA Tariff Book requires the calculation of the riders to assure the

pass-through of costs for fuel used in generation by PREPA and the power purchased from private generators by PREPA is performed in line with regulation, without any markup, profit, or additional charges that would benefit PREPA (or LUMA).

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and **grant** LUMA until May 18, 2023, to submit the reconciliation of FCA, PPCA, and FOS riders' costs for March and April 2023 and calculated factors for June 2023.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 12th day of May 2023.

We hereby certify that I filed this Motion using the electronic filing system of this Energy Bureau. We will send an electronic copy of this Motion to counsel for PREPA Joannely Marrero, jmarrero@diazvazlaw.com, and to the Independent Consumer Protection Office, through Director Hannia Rivera, hrivera@oipc.pr.com.



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