

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

IN RE: THE DEPLOYMENT OF ELECTRIC
VEHICLE CHARGING INFRASTRUCTURE

CASE NO.: NEPR-MI-2021-0013

SUBJECT: Final Phase I EV Plan and Revised
EV Rate Design

RESOLUTION AND ORDER

I. Introduction and Background

On September 1, 2022, LUMA Energy ServCo, LLC, and LUMA Energy, LLC (collectively, "LUMA") filed before the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau"), a document titled *Motion Submitting Draft Phase I EV Plan and Request to Postpone Compliance Technical Hearing No. 3 and Concomitant Deadline to Submit Revised Phase I EV Plan* ("September 1 Motion"). Through the September 1 Motion, LUMA includes the draft Phase I EV Plan as Exhibit 1 ("Phase I EV Plan").

LUMA indicates that its draft Phase I EV Plan, as amended, supports the deployment of infrastructure to enable equitable and accessible use of EV's while advancing the remediation of the electric system to improve reliability and resiliency for customers.¹ LUMA also establishes that its revised rate design proposal "incorporates suggestions made during Compliance Technical Hearing #2 and proposes to establish a Residential EV TOU Rate."²

On January 13, 2023, the Energy Bureau issued a Resolution and Order ("January 13 Resolution") ordering LUMA to address some issues for the Final Phase I EV Plan related to:

A. Provisions for Low-Income Customers

As a first step to developing electric transportation programs for its low-income customers, LUMA should:³

1. Over the next six months, review and propose improvements to its outreach and public access policies and practices, and submit a memorandum to the Energy Bureau setting out the actions it plans to adopt;
2. Over the next nine months, engage in outreach with low-income and disadvantaged communities to determine what they consider their transportation electrification priorities to be; and
3. Be ready to meet with the Energy Bureau to discuss the feedback it collects from its low-income customers, and to articulate the next steps it will take to address barriers to low-income EV adoption.

B. Estimating Federal Funding

In its Final Phase I Plan, LUMA shall:⁴

1. Consider and analyze federal funding that can reasonably be expected to benefit Puerto Ricans and Puerto Rico's transportation and utility systems;

¹ September 1, Motion, p. 3, ¶7.

² *In re: The Deployment of Electric Vehicle Charging Infrastructure*, Case No.: NEPR-MI-2021-0013, *Motion Submitting Revised EV Rate Design Proposal*, July 21, 2022, p.4, ¶9.

³ January 13 Resolution, pp. 3-4.

⁴ *Id.*, p. 5.



2. Provide specific characterization of steps that the company can take to assist in securing this funding, including parties with whom LUMA could partner; and
3. Produce an analysis that reflects the likely effects of federal funding on (a) EV load and (b) charging infrastructure buildout on the company's distribution system.

C. Phase I EV Plan Reporting Metrics

In its semi-annual filings, LUMA shall follow through and account for its proposed six (6) actions, and report on the specific outcomes for the metrics and information requests in each of its semi-annual reports.⁵

D. Cost Recovery

In its Final Phase I EV Plan, LUMA shall include the following information:⁶

1. Funding for Fiscal Year 1 of the Phase I EV Plan.
2. An explanation of how LUMA will fund any budget shortfall for Fiscal Year 1 of the EV Plan, including options without a new rider.
3. Identification of the program or programs from which LUMA proposes to shift funds to support the Phase I EV Plan, and the total funds shifted from each program.
4. The remaining budget for the program or programs from which LUMA is shifting funds and a description regarding the expected impacts from the reduced budget.

On May 1, 2023, LUMA filed a document titled *Motion to Submit Final Phase I EV Plan in Compliance with Resolution and Order of January 13, 2023* ("May 1 Motion"). Through the May 1 Motion, LUMA includes the Final Phase 1 EV Plan as Exhibit 1 titled as *Puerto Rico's Electric Vehicle Adoption Plan* ("PR-EVAP"), in accordance with the January 13 Resolution.

II. Final Phase I EV Plan and Analysis

The Energy Bureau finds that LUMA's PR-EVAP, does not adequately address the requirements ordered in the January 13 Resolution. The Energy Bureau findings are the following:

A. Provisions for Low-Income Customers

Within the PR-EVAP, LUMA acknowledges the directives of the January 13 Resolution and indicates that it will seek to gather additional feedback from low-income and disadvantaged communities on their transportation electrification priorities. LUMA describes agencies and local organizations that LUMA will engage in this process and that will leverage the Integrated Resource Plan ("IRP") stakeholder's events and outreach activities to gauge what low-income customers consider to be transportation electrification priorities. LUMA indicates that it will submit a memorandum to the Energy Bureau describing the actions LUMA plans to adopt to engage in more outreach⁷. LUMA **does not** provide a date for the memorandum, while the January 13 Resolution **requires submittal by July 13, 2023** (Emphasis added).

⁵ *Id.*, p. 6.

⁶ *Id.*, p. 8.

⁷ May 1 Motion, Exhibit 1, p.70, Section 4.2.5, ¶ 2.



B. Estimating Federal Funding

LUMA provides in the PR-EVAP a list of federal incentives that impact residential customers and eligible funding recipients⁸. LUMA indicates that it will advise and partner with local governments and organizations such as the Department of Economic Development and Commerce ("DDEC") and the Department of Transportation and Public Works ("DTOP"). However, LUMA **does not** provide specific actions or plans to help procure federal funds **nor** indicates how it will notify and report on its process. Given the significant opportunity to bring in federal funds to support the electrification of Puerto Rico's transportation sector, LUMA **needs** to show more commitment to supporting procurement.

LUMA **did not** update its EV load and charging infrastructure buildout analysis to reflect the potential effects of federal funding. Instead, LUMA states that will work closely with DDEC to commission an accurate analysis to identify the impacts of federal funding⁹ but **does not** provide dates for this study to be completed, or which entity will fund it.

C. Reporting Metrics

LUMA in its PR-EVAP, **acknowledges** and **commits**¹⁰ to include a set of the reporting metrics related to spending and progress on each of the six (6) actions in the semi-annual reports that LUMA must file with the Energy Bureau, in accordance with the January 13 Resolution.¹¹

D. Cost Recovery

LUMA includes in its PR-EVAP an estimate of costs by initiative¹² and anticipates that Year 1 of the PR-EVAP will coincide with Fiscal Year 2024 and indicates that the Plan's Year 1 cost will be included as part of its forthcoming FY24 Annual Budget filing in a new Program Brief entitled *Phase 1 EV Program Implementation*. LUMA does not show if the request will be an incremental amount for the budget or if LUMA plans to reduce the budget in other areas to accommodate this funding need.

LUMA also proposes to expand the EE/DR Rider to include funding for the PR-EVAP by changing that rider to apply to all Clean Energy Program ("CEP Rider"). LUMA provides no details regarding how it plans to propose this rider or how it would track and account for the allocation of funds between EE/DR and its EV initiatives within the PR-EVAP.

III. Conclusion

The Energy Bureau **TAKES NOTICE** of the filing of the PR-EVAP and **ORDERS** LUMA to:

1. Continue with the implementation of the Interim EV TOU rate.
2. Review and propose improvements to its outreach and public access policies and practices, and file a memorandum setting out the actions LUMA plans to adopt, based on that review by **July 13, 2023** ("July 13 Memorandum") in accordance with the January 13 Resolution.
3. Prepare for a Virtual Technical Conference which shall be scheduled by the Energy Bureau **within 30 days** of LUMA filing its July 13 Memorandum to discuss the feedback LUMA collects from its low-income customers, and to articulate the next steps LUMA will take to address barriers to low-income EV adoption.¹³

⁸ May 1 Motion, Exhibit 1, p.29-30, Table 3.2.

⁹ *Id.*, p.33, ¶ 4.

¹⁰ *Id.*, p. 86-88, Section 6.0.

¹¹ January 13 Resolution, p. 6-8.

¹² May 1 Motion, Exhibit 1, Table 8.1.

¹³ January 13 Resolution, p. 14.



4. Consider targeting public transportation, school buses, and fleets as a means to provide low-income customers with access to the benefits created by transportation electrification.
5. File a report, within three (3) months of the notification of this Resolution and Order, that articulates the specific actions LUMA will take regarding each of the federal funding opportunities that LUMA identified in the PR-EVAP. As part of its report, LUMA shall include the names of entities and contacts with whom LUMA will work, a time schedule for this work, including the funding application due dates and completion dates.
6. Report on the semi-annual reports the specific actions that LUMA is taking to assist entities in procuring and implementing federal funds, as part of its semi-annual reports, including specific timelines.

The Energy Bureau will address LUMA's funding request for Year 1 of the PR-EVAP as part of its review of LUMA's Consolidated Annual Budgets for Fiscal Year 2024 as received by the Energy Bureau on May 16, 2023. The Energy Bureau will not determine LUMA's proposed budgets for Year 2 or Year 3 of the PR-EVAP until LUMA shows progress on Year 1 implementation through its semi-annual reports to be filed with the Energy Bureau

Be it notified and published.



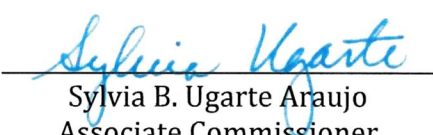
Edison Aviles Deliz
Chairman



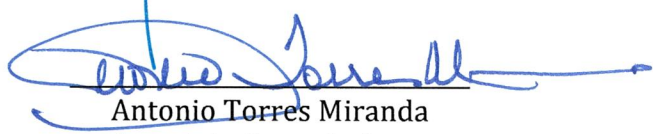
Lillian Mateo Santos
Associate Commissioner



Ferdinand A. Ramos Soegaard
Associate Commissioner



Sylvia B. Ugarte Araujo
Associate Commissioner

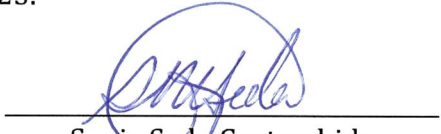


Antonio Torres Miranda
Associate Commissioner

CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on June 6, 2023. I also certify that on June 6, 2023 a copy of this Resolution and Order was notified by electronic mail to laura.rozas@us.dlpiper.com, ana.rodriguerivera@us.dlpiper.com. I also certify that today, June 6, 2023, I have moved forward with filing the Resolution and Order issued by the Puerto Rico Energy Bureau.

I sign this in San Juan, Puerto Rico, today June 6, 2023.



Sonia Seda Gaztambide
Clerk

