

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

<b>NEPR</b>  <b>Received:</b>  <b>Jun 13, 2023</b>  <b>9:01 PM</b>
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**IN RE:**

IN RE: PUERTO RICO ELECTRIC POWER  
AUTHORITY PERMANENT RATE

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

**SUBJECT: Request for Extension of Time to Submit  
Quarterly Reconciliations and FCA, PPCA, and FOS  
Calculated Factors**

**REQUEST FOR EXTENSION OF TIME TO SUBMIT QUARTERLY  
RECONCILIATIONS AND FCA, PPCA, AND FOS CALCULATED FACTORS**

**TO THE HONORABLE PUERTO RICO ENERGY BUREAU:**

**COMES** now **LUMA Energy ServCo, LLC** (“ServCo”), (“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.

2. Pursuant to a Resolution and Order dated January 17, 2020, issued by this Honorable Puerto Rico Energy Bureau (“Energy Bureau”), in this proceeding, NEPR-MI-2020-0001, the reconciliations and FCA, PPCA, and FOS calculated factors are filed quarterly. *See also* Final Rate Order issued on January 10, 2017, Case CEPR-AP-2015-0001, as amended (“Final Rate Order”).

3. In a Resolution and Order issued on March 31, 2023, this Energy Bureau set the FCA, PPCA, and FOS factors to be applicable from April 1, 2023, until June 30, 2023 (“March 31<sup>st</sup> Order”). In the March 31<sup>st</sup> Order, the Energy Bureau also directed that on or before June 15, 2023, at noon, LUMA shall file the FCA, PPCA, and FOS reconciliations for May 2023, as well as the calculated factors to be applied to start on July 1, 2023.<sup>1</sup>

4. On May 12, 2023, LUMA filed an informative motion stating that for the months of March and April 2023, there was an excess revenue of \$45,997,692.36 pertaining to the FCA and an excess revenue of \$5,289,606.44, pertaining to the PPCA. *See Informative Motion on Preliminary Monthly Reconciliation of FCA, PPCA and FOS Riders Factors and Proposing Date to File the Monthly Reconciliation and Proposed Factors* (“May 12th Motion”). LUMA further stated that it planned to recalculate the factors and submit for this Energy Bureau's consideration the reconciliations for March 2023, and April 2023, along with calculated factors and its supporting files, to be in effect for the remainder of the quarter.

5. On May 18, 2023, LUMA filed an accelerated reconciliation for the FCA and PPCA riders and revised calculated FCA, and PPCA factors that this Energy Bureau could determine to apply during the month of June 2023. *See Motion Submitting Accelerated Reconciliation, Submission of FCA and PPCA Calculated Factors and Request for Confidential Treatment*.

6. On May 24, 2023, this Energy Bureau approved the factors proposed in LUMA’s May 18<sup>th</sup> Motion. *See Resolution and Order of May 24, 2023* (“May 24<sup>th</sup> Order”). This Energy Bureau also required that the reconciliation to be filed in June 2023, shall include the amount of

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<sup>1</sup> Thereafter, in a Resolution and Order issued on May 24, 2023, the Energy Bureau, among other determinations, reminded LUMA of its obligations under the March 31<sup>st</sup> Order.

\$61,379,713 that the Puerto Rico Electric Power Authority (“PREPA”) informed on April 4, 2023 was recovered from the Federal Emergency Management Agency (“FEMA”) as reimbursement for damages to the electric power system in connection with Hurricane Fiona. *See* May 24<sup>th</sup> Order, page 3.

7. As this Honorable Energy Bureau knows, LUMA does not purchase or manage fuel for power generation, and LUMA requires information from PREPA to meet its contractual and regulatory obligations. Specifically, LUMA requires monthly generation and consumption data and fuel costs from PREPA, to prepare the quarterly reconciliations. Particularly, to prepare the reconciliations and calculated factors and file them timely with this Energy Bureau, LUMA needs to receive certified data from PREPA at a minimum, five (5) business days before the deadline set by this Energy Bureau, which is currently June 15, 2023, at noon.

8. On June 1, 2023, LUMA requested that PREPA provide the necessary certified reports pertaining to May 2023 by the fifth business day of the month. LUMA sent follow-up communications on June 7 and June 12, 2023, to request the outstanding information. It is respectfully informed that despite its better efforts to obtain the necessary information from PREPA, to wit, certified fuel consumption data, the updated certified fuel purchases (including invoices for transfer costs between plants), inventory audits as of May 31st, and the weighted average inventory report, PREPA has not provided the necessary information as of today and has been unable to confirm the date in which it will provide LUMA these items. Although LUMA continues to communicate with PREPA, LUMA is uncertain when the information will be received.

9. Given these circumstances and delay in receipt of the data needed to conduct the calculations for the reconciliations and calculated factors, LUMA cannot submit the reconciliations and calculated factors with this Energy Bureau on or before June 15, 2023, at noon. LUMA needs two additional business days to receive the information and complete its analysis of the relevant data, finalize calculations, and submit the scheduled reconciliations and calculated factors. Thus, LUMA requests a brief extension until June 20, 2023,<sup>2</sup> to file the quarterly reconciliations and proposed FCA, PPCA, and FOS calculated factors to be in effect from July 1, 2023, to September 30, 2023.

10. This request for extension is filed in good faith and should not delay the Energy Bureau's processes related to quarterly reconciliations and calculated factors. It is clarified that LUMA's ability to file by June 20<sup>th</sup> the quarterly reconciliations and calculated FCA, PPCA, and FOS factors to be in effect from July 1, 2023, to September 30, 2023, is dependent on receiving the outstanding information from PREPA by Thursday, June 15, 2023. LUMA will inform this Energy Bureau timely, if it does not receive the necessary information by June 15, 2023.

11. As LUMA has explained in prior filings, it does not own or operate generation facilities nor purchase any fuel for generation. LUMA's operations costs are not included in the FCA and PPCA riders. The 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).

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<sup>2</sup> Monday, June 19<sup>th</sup> is a legal holiday in Puerto Rico.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned and **grant** LUMA until Tuesday June 20, 2023, to inform this Energy Bureau of the quarterly reconciliations and proposed FCA, PPCA, and FOS calculated factors.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 13<sup>th</sup> day of June 2023.

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 counsels for PREPA Joannely Marrero, [jmarrero@diazvaz.law](mailto:jmarrero@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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