

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

IN RE: REVIEW OF LUMA'S INITIAL BUDGETS

CASE NO.: NEPR-MI-2021-0004

SUBJECT: Resolution pertaining to *Motion Submitting Fiscal Year 2023 Budget Reallocation*, filed by LUMA Energy, LLC and LUMA Energy ServCo.

RESOLUTION

On July 13, 2022, LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly referred to as "LUMA") filed a document titled *Motion Submitting Fiscal Year 2023 Annual Budget as Approved and Certified by the Financial Oversight and Management Board for Puerto Rico* ("FOMB") ("July 13 Petition"), requesting that the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") approve LUMA's proposed Fiscal Year 2023 ("FY23") Annual Budget.

On February 27, 2023, the Energy Bureau conditionally approved LUMA's FY23 Annual Budget, subject to several conditions and requirements.

On June 9, 2023, through transmittal number LUMA-PREB-T-00206, LUMA provided notice of the potential need to reallocate funds between Improvement Portfolios within LUMA's Capital Budget - Non-Federally Funded.

On June 22, 2023, LUMA filed before the Energy Bureau a document titled *Motion Submitting Fiscal Year 2023 Budget Reallocation* ("June 22 Reallocation Request"). Through the June 22 Reallocation Request, LUMA submitted the reallocation between Improvement Portfolios within LUMA's FY23 Capital Budget - Non-Federally Funded in the following manner: \$9.1 million out of the Substation Portfolio; \$5.0 million out of the Support Services Portfolio; \$9.5 million into the Distribution Portfolio; \$2.8 million into the Customer Experience Portfolio; and \$1.8 million into the Transmission Portfolio.¹ LUMA further stated that the referenced reallocation did not result in an increase to customer rates and that its aggregated operating and capital expenditure budgets remain within the expenditures limit.² Wherefore, LUMA requested that the Energy Bureau take notice of the aforementioned and make the determinations it deems necessary to enable LUMA to continue its work to maintain and operate Puerto Rico's Transmission and Distribution System.³

The referenced reallocation doesn't exceed five percent (5%) of the Budget in which such reallocation is made. Therefore, in accordance with Section 7.3(c) of the OMA,⁴ it is not subject to the approval of the Energy Bureau. Nonetheless, the Energy Bureau **TAKES NOTICE** of the June 22 Reallocation Request as submitted by LUMA and **FINDS** that LUMA has opportunely complied with the directives set forth in the Resolutions issued on December 14, 2022 and March 20, 2023, whereby it was instructed that any future reallocation of funds amongst budget programs or line items shall be timely anticipated and the correspondent budget amendment timely requested before the Energy Bureau.

Be it notified and published.

¹ June 22 Reallocation Request, p. 2, ¶ 4.

² *Id.*

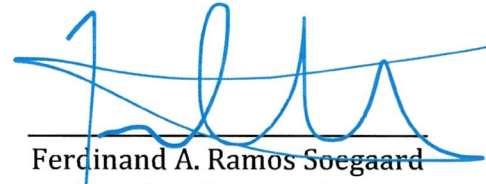
³ *Id.*


⁴ *The Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement* dated as of June 22, 2020 ("OMA") by and among the Puerto Rico Electric Power Authority, the Puerto Rico Public-Private Partnerships Authority and LUMA.





Edison Avilés 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 26, 2023. I also certify that on June 26, 2023, a copy of this Resolution and Order was notified by electronic mail to pre@promesa.gov; margarita.mercado@us.dlapiper.com; ana.rodriguezrivera@us.dlapiper.com; mvazquez@diazvaz.law; jmarrero@diazvaz.law; brannen@genera-services.com; kbolanos@genera-pr.com; regulatory@genera-pr.com; jfr@sbgblaw.com; alopez@sbgblaw.com; and 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, on June 26, 2023.



Sonia Seda Gaztambide
Clerk