

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

IN RE: REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY'S 10-YEAR
INFRASTRUCTURE PLAN - DECEMBER
2020

CASE NO.: NEPR-MI-2021-0002

SUBJECT: Determination on LUMA'S June
28, 2023, Informative Motion.

RESOLUTION AND ORDER

I. Introduction

On March 26, 2021, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("March 26 Resolution") in the instant case, through which it ordered the Puerto Rico Electric Power Authority ("PREPA") to provide certain information related to the different projects under the categories of Transmission Line Projects, Transmission Substation Projects, and Distribution Substation Projects in the PREPA 10 -Year Infrastructure Plan.¹ The Energy Bureau ordered PREPA to submit each specific capital investment project for approval to avoid potential noncompliance with the Approved Integrated Resource Plan ("IRP") and Modified Action Plan.² To streamline the process, the Energy Bureau requested PREPA to submit to the Energy Bureau the specific projects to be funded with Federal Emergency Management Agency ("FEMA") funds or any other federal funds, at least thirty (30) calendar days before their submittal to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency ("COR3"), FEMA or any other federal agency³.

On August 20, 2021, the Energy Bureau issued a Resolution and Order ("August 20 Resolution"),⁴ through which it determined that the March 26 Resolution applies equally to LUMA^{5, 6}.

On June 28, 2023, LUMA filed a document titled *Informative Motion on Proposal Under the Program 40101(c): Grid Resiliency Grants of the U.S. Department of Energy ("DOE")* ("June 28 Motion"). As Exhibit 1 to the June 28 Motion, LUMA included a document titled *IIJA Funding Opportunities* which comprises a brief description of the Infrastructure Investment and Jobs Act ("IIJA")⁷ and a LUMA's proposal with the description of one (1) project: *Underground Transmission Hardening for Enhanced Resilience*.

As part of the June 28 Motion, LUMA request the Energy Bureau to take notice of their plans to submit the proposal under the Program 40101(c)⁸: *Grid Resiliency Grants of the DOE*.

¹ Resolution and Order, *In re: Review of the Puerto Rico Electric Power Authority's 10-Year Infrastructure Plan*, Case No. NEPR-MI-2021-0002, March 26, 2021 ("March 26 Resolution").

² Final Resolution and Order on the Puerto Rico Electric Power Authority's Integrated Resource Plan, *In re: Review of the Integrated Resource Plan of the Puerto Rico Electric Power Authority*, Case No. CEPR-AP-2018-0001, August 24, 2020 ("IRP Order").

³ March 26 Resolution, pp-18-19.

⁴ August 20, 2021, Resolution and Order, p. 3.

⁵ LUMA Energy, LLC, and LUMA Energy ServCo, LLC (collectively, "LUMA")

⁶ August 20 Resolution, p. 3.

⁷ Referred as the Infrastructure Investment and Jobs Act signed in 2021 by President Biden, to encourage significant amounts of incremental spending to enhance different types of priority infrastructure, including electric utilities.

⁸ Referred as subsection 40101(c) of the Grid Resilience and Innovation Partnership ("GRIP") Program under the Grid Deployment Office of the U. S. Department of Energy ("DOE").



II. Evaluation of the June 28 Motion

Through the June 28 Motion, as Exhibit 1, LUMA submitted one (1) proposal for a project under the Grid Resilience Grant Program 40101(c) of the U.S. Department of Energy.

On Exhibit 1, Luma describe the project objectives and the alignment of such project with the IIJA. LUMA also, describe the project goals, the proposed approach, the potential impacts, and the project budget.

LUMA presented the Project Budget by Role in Table 1⁹:

Table 1-Project Budget by Role

Task	Total (\$M)
LUMA Funding from DOE	\$88.7
LUMA Portion Cost-Share	\$89.3
Remaining DOE portion/partners cost share	\$2.0
Total	\$180.0

LUMA also indicates that the project timeline is to be completed by the fourth quarter of FY 2028¹⁰.

After a review of the Exhibit 1 of the June 28 Motion, the Energy Bureau **DETERMINES** that the project is necessary to improve the reliability and resiliency of the electrical system but needs more information about the budgets breakdown. LUMA did not explained the sources for the LUMA’s Portion Cost-Share.

III. Energy Bureau Determination

The Energy Bureau **ORDERS** LUMA to within five (5) days from the issuance of this Resolution and Order to: (i) submit to the Energy Bureau the sources for the LUMA Portion Cost-Share as described in Table 1 of this Resolution and Order, (ii) explain if such budget is included as part of the FY 24 Budget, and (iii) explain how foresees that such budget could be allocated for FY25, FY26, FY27 and FY28.

Be it hereby notified and published.


Edison Avilés Deliz
Chairman


Lillian Mateo Santos
Associate Commissioner


Ferdinand A. Ramos Soegaard
Associate Commissioner


Sylvia B. Ugarte Araujo
Associate Commissioner


(Did not intervene.)
Antonio Torres Miranda
Associate Commissioner

⁹ June 28 Motion, p.8

¹⁰ Id.



CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on July 10, 2023. Associate Commissioner Antonio Torres Miranda did not intervene. I also certify that in July 10, 2023 a copy of this Resolution and Order was notified by electronic mail to laura.rozas@us.dlapiper.com; margarita.mercado@us.dlapiper.com, Yahaira.delarosa@us.dlapiper.com; jmarrero@diazvaz.law; mvazquez@diazvaz.law. I also certify that today, July 10, 2023, I have proceeded with the filing of the Resolution and Order issued by the Puerto Rico Energy Bureau.

I sign this in San Juan, Puerto Rico, today July 10, 2023.



Sonia Seda Gaztambide
Clerk

