

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

IN RE: PUERTO RICO ELECTRIC POWER
AUTHORITY'S PERMANENT RATE

CASE NO.: NEPR-MI-2020-0001

SUBJECT: ROI pertaining to the temporary
emergency generation at Palo Seco and San
Juan.

RESOLUTION AND ORDER

On June 30, 2023, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order through which it established the annual factors for the for the CILTA,¹ SUBA-HH,² and SUBA-NHH³ Riders, to be implemented from July 1, 2023 to June 30, 2024, and the annual reconciliations for the referenced riders ("June 30 Resolution"). In addition, through the June 30 Resolution, the Energy Bureau maintained the factors from the previous quarter for the FCA,⁴ PPCA,⁵ and FOS⁶ Riders, to be implemented from July 1 to July 31, 2023. Further, the Energy Bureau ordered LUMA Energy, LLC and LUMA Energy Servco, LLC (jointly referred to as "LUMA") to file the calculated FCA, PPCA, and FOS factors to be implemented from August 1 through September 30, 2023, considering the 350MW of temporary generation at Palo Seco and San Juan.

On July 17, 2023, LUMA filed before the Energy Bureau a document titled *Motion Submitting Reconciliations for May and June 2023, Submission of FCA, PPCA, and FOS Calculated Factors, and Request for Confidential Treatment* ("July 17 Motion"). Through the July 17 Motion, LUMA calculated the reconciliations for the FCA and PPCA riders for May 2023 and June 2023 and the proposed factors for the FCA, PPCA, and FOS riders to be in effect for the remainder of the quarter (*i.e.*, from August 1 through September 30, 2023). The projections used to calculate the proposed factors considered all generation that is currently expected to be available during the remainder of the quarter, including the temporary emergency generation at Palo Seco and San Juan. Nonetheless, it is not clear how LUMA factored out the costs for the fuel to be consumed by the temporary generators and it is not clear how the portion of the costs, attributable to the temporary generation (*i.e.*, local cost share), that typically the Federal Emergency Management Agency ("FEMA") requests from the recipient was factored into the proposed factors.

Therefore, the Energy Bureau **ORDERS** LUMA to, on or before **Thursday, July 20, 2023**, clarify how the cost for the fuel to be consumed by the temporary generators was excluded from the projected costs. LUMA shall include in the calculation of the proposed factors to be in effect from August 1 through September 30, 2023 the portion of the costs for the temporary generation that the people of Puerto Rico will have to bear.

Be it notified and published.

¹ Contribution in Lieu of Taxes Cost Adjustment Rider ("CILTA").

² Help to Humans Subsidy Rider ("SUBA-HH").

³ Non-Help to Humans Subsidy Rider ("SUBA-NHH").

⁴ Fuel Charge Adjustment Rider ("FCA").

⁵ Purchased Power Charge Adjustment Rider ("PPCA").


⁶ Fuel Oil Subsidy Rider ("FOS").




Edison Avilés Deliz
Chairman


Lillian Mateo Santos
Associate Commissioner


Ferdinand A. Ramos Soegaard
Associate Commissioner


Antonio Torres Miranda
Associate Commissioner

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau agreed on July 18, 2023. Associate Commissioner Sylvia B. Ugarte Araujo did not intervene. Also certify that on July 18, 2023, I have proceeded with the filing of this Resolution and Order and was notified by email to yahaira.delarosa@us.dlapiper.com; margarita.mercado@us.dlapiper.com, jmarrero@diazvaz.law; hriviera@jrsp.pr.gov; brannen@genera-services.com; kbolanos@genera-pr.com; regulatory@genera-pr.com. I also certify that on July 18, 2023, I have -moved forward with filing the Resolution and Order issued by the Puerto Rico Energy Bureau.

For the record, I sign in San Juan, Puerto Rico, today, July 18, 2023.


Sonia Seda Gaztambide
Clerk

