

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: Resolution and Order pertaining to *Urgent Request to Release LUMA from Compliance with Order to Include \$0 Value in Model Bill for EE Rider Factor*, filed by LUMA Energy, LLC and LUMA Energy ServCo, LLC.

**RESOLUTION AND ORDER**

On July 31, 2023, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order through which it approved the reconciliations for the months of May and June 2023 and established the FCA,<sup>1</sup> PPCA,<sup>2</sup> FOS,<sup>3</sup> and EE<sup>4</sup> Riders, to be implemented from August 1 to September 30, 2023 to be ("July 31 Resolution"). Further, since the Government of Puerto Rico is examining funding alternatives to obtain the moneys required for the energy efficiency programs for Fiscal Year 2024 from funds not related to the tariff, the Energy Bureau determined to suspend the EE Charge until the next determination on the quarterly factors to go into effect from October 1, 2023. Nonetheless, due to its implementation, the Energy Bureau ordered LUMA to include the EE Rider on customer bills at \$0 value for the period from August 1, 2023 through September 30, 2023.

On August 1, 2023, LUMA Energy, LLC and LUMA Energy ServCo, LLC (referred to jointly as "LUMA") filed a document titled *Urgent Request to Release LUMA from Compliance with Order to Include \$0 Value in Model Bill for EE Rider Factor* ("August 1 Motion"). In its August 1 Motion, LUMA indicated it was not in a position to implement the \$0 value for the EE Rider factor within twenty-four (24) hours after notification of the July 31 Resolution.<sup>5</sup> LUMA further submitted that the inclusion of the EE Rider in the Model Bill issued to customers for months when the EE Rider will be stayed and thus, the costs of said rider will not be borne by customers, runs counter to the requirements of a transparent bill that is meant to inform customers of charges included in the bill and that it is easy to understand.<sup>6</sup> According to LUMA, a new line item with a \$0 value does not reflect a current charge to customers, does not offer a price signal for customers to adjust their energy consumption patterns, and is not easily understood absent explanations why the line item with \$0 value has been added to the bill.<sup>7</sup>

LUMA also argued that adding the EE Rider with a \$0 value will result in customers contacting LUMA's Customer Experience Representatives to inquire about the new line item on their bills and the \$0 value and filing bill objections inferring a mistake if a line item is billed at no value while other values are being charged.<sup>8</sup> Thus, LUMA would need time to implement internal guidelines and work on how to best address customer inquiries

<sup>1</sup> Fuel Charge Adjustment Rider ("FCA").

<sup>2</sup> Purchased Power Charge Adjustment Rider ("PPCA").

<sup>3</sup> Fuel Oil Subsidy Rider ("FOS").

<sup>4</sup> Energy Efficiency Rider ("EE").

<sup>5</sup> August 1 Motion, p. 5, ¶ 10.

<sup>6</sup> *Id.*, p. 6, ¶ 13.

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*, pp. 6 – 7, ¶ 14.



regarding the EE Rider in their bills.<sup>9</sup> LUMA views that it is important to provide information to customers on the functioning of the EE Rider and the programs it funds in order to decrease customer confusion.<sup>10</sup>

Given the aforementioned, LUMA requested that the Energy Bureau release it from complying with the portion of the July 31 Resolution that required LUMA to include a \$0 value for the EE Rider in the bills issued to customers for the period of August 1, 2023 through September 30, 2023.<sup>11</sup> LUMA proposed to include the EE Rider in the bills issued to customers within ten (10) days after the Energy Bureau implements the EE Rider.<sup>12</sup>

LUMA's interpretation of the July 31 Resolution is not correct. The Energy Bureau **has not** stayed the implementation of the EE Rider. As it **clearly** emerges from the July 31 Resolution, the Energy Bureau implemented the EE Rider effective **August 1, 2023 through September 30, 2023** with a \$0 value since the Government of Puerto Rico is examining possible funding for the required moneys needed for the energy efficiency programs for Fiscal Year 2024 ("FY24") from funds **not related to the approved tariff**. Therefore, since the Government of Puerto Rico has assured that it will identify the funds needed to cover the expenses for the energy efficiency programs for FY24, through the July 31 Resolution, the Energy Bureau determined to suspend the EE Charge for the months of August and September 2023, rather than unfairly burdening the customer.

Thus, the Energy Bureau **REITERATES** that it **did not** stay the EE Rider. The Energy Bureau **implemented the EE Rider** and suspended the EE Charge due to the high probability that the funding for the program will be covered by state and/or federal funds. The \$0 value shall in no manner be interpreted as a stay to the implementation of the EE Rider. Given the aforementioned, and as a means to notify customers of the implementation of the EE Rider, the Energy Bureau ordered LUMA to include the EE Rider on customer bills at \$0 value for the period from August 1, 2023 through September 30, 2023.

Consequently, the Energy Bureau **DENIES** LUMA's request to be released from compliance with the July 31 Resolution. Implementing the EE Rider and excluding it from the bills issued to customers, as LUMA proposes, will inescapably cause misunderstanding to customers and is contrary to the legal requirements of a transparent bill.

The Energy Bureau **REAFFIRMS** its July 31 Resolution and **ORDERS** LUMA to include, no later than **August 10, 2023**, a line item corresponding to the EE Rider on customers bill with a \$0 value. All bills issued after August 10, 2023, **MUST** include the EE Rider line item. As referenced by LUMA in its August 1 Motion, a ten (10) day term allows LUMA sufficient time to implement the EE Rider in its billing system and Model Bill.<sup>13</sup>

The Energy Bureau **CLARIFIES** that it **did not** suspend the Energy Efficiency and Demand Response Programs. Further, the Energy Bureau **ORDERS** LUMA to continue with the implementation of the EE and the DR programs. The DR programs shall be funded by the PPCA clause. The required funds for the EE Programs shall either be identified by the Government of Puerto Rico and/or collected through the EE rider to assure the success of the EE programs in FY24.

The Energy Bureau **WARNS** LUMA that noncompliance with the provisions of this Resolution and Order will result in the imposition of fines pursuant to Article 6.36 of Act 57-2014.<sup>14</sup> As such, in this case, the Energy Bureau will impose a fine of **one thousand dollars (\$1,000) per day of non-compliance** until compliance is achieved.

<sup>9</sup> *Id.*, p. 7, ¶ 14.

<sup>10</sup> *Id.*

<sup>11</sup> *Id.*, p. 7, ¶ 15.

<sup>12</sup> *Id.*


<sup>13</sup> *Id.*, pp. 3 – 4.

<sup>14</sup> *Puerto Rico Energy Transformation and RELIEF Act*, as amended (Act 57-2014").

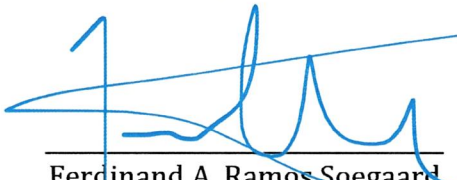




Be it notified and published.

  
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 August 2, 2023. Associate Commissioner Sylvia B. Ugarte Araujo did not intervene. Also certify that on August 2, 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; legal@genera-pr.com; regulatory@genera-pr.com; jfr@sbgblaw.com; alopez@sbgblaw.com. I also certify that on August 2, 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, August 2, 2023.

  
Sonia Seda Gaztambide  
Clerk

