

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

NEPR

Received:

Aug 21, 2023

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IN RE: REVIEW OF LUMA'S INITIAL BUDGETS

CASE NO.: NEPR-MI-2021-0004

SUBJECT: PREPA'S Motion to Submit Federal Funding Report in Compliance with the June 25 Order

**PREPA'S MOTION TO SUBMIT FEDERAL FUNDING REPORT
IN COMPLIANCE WITH THE JUNE 25 ORDER**

COMES NOW the Puerto Rico Electric Power Authority ("PREPA"), through its counsel of record, and respectfully submits and requests as follows:

1. On May 16, 2023, LUMA¹ filed a document titled *Submission of Consolidated Annual Budgets for Fiscal Year 2024 and Proposed Annual T&D Projections Through Fiscal Year 2026* ("May 16 Motion") for the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") review and approval. The May 16 Motion included the following budget components: (i) the proposed T&D budget developed by LUMA, (ii) the proposed generation budget developed by Genera PR, LLC ("Genera") on behalf of the PREPA, for the PREPA subsidiary GENCO LLC ("GenCo"), and (iii) the proposed Budget developed by PREPA for its holding company, HoldCo, and its subsidiaries PREPA HydroCo LLC ("HydroCo") and PREPA PropertyCo, LLC ("PropertyCo").

2. On June 25, 2023, after a series of procedural events, including a technical conference and

¹ LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly referred to as, "LUMA").

various submissions including responses to the Energy Bureau's requests for information, the Energy Bureau entered *Resolution and Order* issuing a determination on the FY24 Annual Budgets for the electric utility system including the budgets for LUMA Energy, LLC and LUMA ServCo, LLC (collectively, "LUMA"), Genera-PR, LLC ("Genera") and PREPA ("June 25 Order").

3. Through the June 25 Order, among other matters, the Energy Bureau ordered PREPA to submit on a bi-monthly basis the Implementation of Grid Modernization plan, which must provide an overview of the major investment categories and projects that LUMA, Genera and PREPA are considering delivering reliable, resilient power and status of project delivery against milestones ("Grid Modernization Plan").

4. The June 25 Order also included the directive for PREPA to provide updates on the 10-year infrastructure plan, these updates should include information on FEMA and CDBG-DR funding programs for permanent and emergency work for hydro. Accordingly, the Energy Bureau ordered PREPA to provide on a monthly basis, by Project Worksheets (PWs) the intended use and description of project portfolio, obligated amount, received amount, cost-match requirements, cost-match funded (by source) and the project timeline and/or milestones ("10-year Infrastructure Plan").

5. Lastly, the June 25 Order, in what is pertinent to this motion, also ordered PREPA to submit monthly reports with the Energy Bureau detailing federal funding activity during the quarter for hydro facilities, including progress on submitting and advancing PWs and Scopes of Work (SOWs), by hydro/dam site, the cumulative amount of federal funding applied for, the incremental amount of federal funding applied for in the reporting quarter and both the cumulative and monthly amount of federal funding received ("Federal Funding Monthly Reports").

6. In compliance with the June 25 Order, PREPA herein submits as Annex A, PREPA's Federal

Funding Report that corresponds to PREB's reporting requirements responsive to the Grid Modernization Plan, 10- year Infrastructure Plan, and the Federal Funding Monthly Reports.

7. Notwithstanding, PREPA respectfully requests the Energy Bureau to clarify a portion of the Energy Bureau's requirement included in the June 25 Order pertaining to the 10-year Infrastructure Plan and instruct PREPA if the Energy Bureau requires PREPA to also submit the emergency work reports as well, as these are not part of the 10-year Infrastructure Plan which only includes permanent works to be performed.

WHEREFORE, PREPA respectfully requests the Energy Bureau to take **NOTICE** of the information provided, **FIND** PREPA in compliance with the June 25 Order federal funding reporting requirements and **CLARIFY** if PREPA should also submit emergency works reports.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 21st day of August 2023.

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CERTIFICATE OF SERVICE

It is hereby certified that, on this same date, I have filed the above motion with the Office of the Clerk of the Energy Bureau using its Electronic Filing System at <https://radicacion.energia.pr.gov/login>, and a courtesy copy of the filing was sent to LUMA through its legal representatives at margarita.mercado@us.dlapiper.com and laura.rozas@us.dlapiper.com and to Genera-PR, LLC through its legal representatives jfr@sbgblaw.com; alopez@sbgblaw.com; legal@genera-pr.com; regulatory@genera-pr.com.

In San Juan, Puerto Rico, this 21st day of August 2023.

/s Joannely Marrero-Cruz
Joannely Marrero Cruz

Annex A

Projects highlighted green are part of the Grid Modernization Plan

#	FEMA ID	Project Title	Fund	Cost-Share	Project Formulation Status	Cost Estimate	Notes	Funding Formulation				Stage	Commencement Date	Next Milestone Completion Date	Date of Completion	Percentage of Completion	
								PREB Approval	FEMA Approval	Reimbursement expenses	Reimbursement Net of Cost-Share						
1	435769	FAAST South Coast Irrigation District - Canals	428	90%	Developing Detailed SOW	32,140,000	A	32,140,000	To be submitted	-	-	L	Planning & Design	Apr-23	Dec-23	Jun-24	4%
2	334803	FAAST Loco Reservoir Dredging	428	90%	Developing Detailed SOW	6,386,107	B	2,730,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
3	436462	FAAST Lajas Irrigation Canals	428	90%	Developing Detailed SOW	15,000,000	A	15,000,000	To be submitted	-	-	L	Planning & Design	Apr-23	Dec-23	Jun-24	4%
4	335207	FAAST Guineo Reservoir - Dredging	428	90%	Developing Detailed SOW	4,271,836	B	1,250,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
5	334798	FAAST Guerrero Reservoir - Dredging	428	90%	Developing Detailed SOW	268,862	B	19,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
6	334813	FAAST Guayo Reservoir Dredging	428	90%	Developing Detailed SOW	40,792,788	B	21,010,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
7	334811	FAAST Dos Bocas Reservoir Dredging	428	90%	Developing Detailed SOW	79,831,592	B	58,250,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
8	178722	FAAST Caonillas (Dredging)	428	90%	Developing Detailed SOW	91,747,984	B, D	43,580,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
9	728257	FAAST Caonillas Dams	428	90%	Developing Detailed SOW	Under Development	E	To be submitted	To be submitted	-	-	L	Planning & Design	Jul-23	Sep-23	Jun-24	0%
10	728260	FAAST Caonillas Hydroelectric Power Plant I	428	90%	Developing Detailed SOW	Under Development	E	To be submitted	To be submitted	-	-	L	Planning & Design	Jul-23	Sep-23	Jun-24	0%
11	436468	FAAST Toro Negro Hydroelectric System Connection	428	90%	Developing Detailed SOW	17,896,715	G	15,220,000	To be submitted	241,937	217,743	L	Planning & Design	Sep-22	Sep-23	Jun-24	20%
12	335206	FAAST Matruillas Reservoir - Dredging	428	90%	Developing Detailed SOW	8,055,082	B	3,080,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
13	334773	FAAST Lucchetti Reservoir - Dredging	428	90%	Developing Detailed SOW	66,060,757	B	35,810,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
14	436467	FAAST Isabela Irrigation District - Canals	428	90%	Developing Detailed SOW	15,000,000	A	15,000,000	To be submitted	-	-	L	Planning & Design	Apr-23	Dec-23	Jun-24	4%
15	334772	FAAST Guayabal Reservoir - Dredging	428	90%	Developing Detailed SOW	20,606,934	B	7,750,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	20%
16	334771	FAAST Guajataca Reservoir - Dredging	428	90%	Developing Detailed SOW	26,718,925	B	18,990,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
17	334770	FAAST Guajataca Dam - Permanent Repairs	428	90%	Developing Detailed SOW	1,086,970,000	H	566,000,000	To be submitted	-	-	L	Planning & Design	Jul-23	Sep-24	Jun-30	3%
18	334769	FAAST Garzas Reservoir - Dredging	428	90%	Developing Detailed SOW	4,598,559	B	1,530,000	To be submitted	151,193	136,074	L	Planning & Design	Jun-22	Mar-24	Dec-25	15%
19	436621	FAAST Dams Minor Repairs	428	90%	Developing Detailed SOW	3,370,000	A	3,370,000	To be submitted	-	-	L	Planning & Design	Jul-23	Dec-23	Jun-24	4%
20	721184	FAAST - Guayabal Seismic Retrofit	428	90%	Pending FEMA Approval	299,278,101		299,278,101	Pending	-	-	L	Planning & Design	May-23	Dec-23	Dec-25	10%
21	180723	FAAST - Rio Blanco Hydroelectric System	428	90%	Developing Detailed SOW	50,444,496	G	48,120,000	To be submitted	359,938	323,945	L	Planning & Design	Sep-22	Oct-23	Jun-24	35%
22	4339-0011	Pailias Dams	404	100%	Approved	558,530,000	I	558,530,000	-	-	-	L	Planning & Design	Jul-21	Dec-23	Dec-28	30%
23	4339-0012	Early Warning System	404	100%	Approved	100,000,000	J	100,000,000	100,000,000	1,267,196	1,267,196	RFP Preparation	Nov-20	Oct-23	Oct-25	30%	
24	COR3-1966	Retrofit projects on hydroelectric turbines (15 Projects)	404/CDBG	100%	Awaiting Funding Approval	320,790,000	C	To be submitted	-	-	-	L	Technical Specifications	Pending PRDOH		Pending PRDOH	0%
								\$	3,532,197.34	\$	3,305,697.18						

- Notes**
- A - Preliminary Engineering Report underway, currently awaiting contractor engagement.
 - B - Preliminary scope submitted. Currently awaiting 30% design to conclude EHP requirements and finalized final cost estimates. RFO to be awarded in November 2023.
 - C - Project scope submitted to PREB. Resolution instructed to be re-submitted once eligibility has been certified by FEMA/COR3.
 - D - Project was segregated into other FEMA projects to address specific scope on individual projects.
 - E - New project created to individualized scope for caonilla. PREB pre-approved amount included in 178722.
 - G - Currently developing 406 Mitigation proposal. Revised estimate to be submitted to PREB once FEMA approval is obtained.
 - H - Agreement with USACE was executed and annex to be awarded in September 2023.
 - I - Continue design work and awaiting full 30% design to continue CDBG formulation.
 - J - RFP to be issued on a design build contract. Phase II approved for RFP release.
 - L - Amounts reimbursed are subject to A&E costs incurred in the development of Technical Specifications and Design. Cost were reimbursed through PW 9510 A&E.