

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

**NEPR**

**Received:**

**Aug 21, 2023**

**7:29 PM**

**IN RE:** REVIEW OF LUMA'S INITIAL BUDGETS

**CASE NO.:** NEPR-MI-2021-0004

**SUBJECT:** PREPA's Request for Amendment of the Deadline to Submit the Budget to Actual Report as Ordered in the June 25 Order

**PREPA'S REQUEST FOR AMENDMENT OF THE DEADLINE TO SUBMIT THE BUDGET TO ACTUAL REPORT AS ORDERED IN 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, LUMA<sup>1</sup> 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").

---

<sup>1</sup> LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly referred to as, "LUMA").

2. On June 25, 2023, after a series of procedural events, including a technical conference and 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. The June 25 Order included a series of orders to PREPA. In what is pertinent to this motion, as part of the financial reporting requirements the Energy Bureau ordered PREPA to submit on a monthly basis the following:

a. The tracking of certified Budget to Actual ("B2A Report") for HydroCo and HoldCo based on a template to be provided by the Oversight Board, which must include the following:

- Explanation for material variances (greater than 10% and \$30 million)
- Income statement in the reporting package
- Monthly budget reporting

4. The B2A Report is ordered by the June 25 Order to be presented within twenty (20) days after the end of each month and is required to detail the Fiscal Year Budget spending amounts, broken out by spending initiative, and detailing any variances from the approved Budget filing. Further, these reports should also include details allowing the Energy Bureau to assess funding, withdrawals and outstanding balances in the operating, capital and generation budgets.

5. PREPA respectfully requests an amendment to the deadline to comply with the submittal of the B2A Report, since PREPA receives the account close documents from LUMA usually 25-30 days after month end, after which PREPA's finance department evaluates the documents to compile the monthly B2A Report. Accordingly, consistent with prior years, PREPA submitted a

request to the Financial Oversight and Management Board for Puerto Rico (“FOMB”) to amend the deadline for the monthly B2A Report to be submitted forty-five (45) days after each month’s end, which the FOMB granted on August 17, 2023. Consequently, PREPA will submit the July 2024 B2A Report to the FOMB on September 15, 2023.

6. PREPA respectfully requests the Energy Bureau to amend the deadline for the monthly B2A Reports to be submitted forty-five (45) days after each month's end and thus allow PREPA to submit the July 2024 B2A Report on September 15, 2023, in the same cadence of reporting as the FOMB requirements.

**WHEREFORE**, PREPA respectfully requests the Energy Bureau to take **NOTICE** of the information provided and **APPROVE** the Request for Amendment to adjust the deadline for the B2A Reports to be submitted forty-five (45) days after each month's end.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 21<sup>st</sup> day of August 2023.

*/s Maralíz Vázquez-Marrero*  
Maralíz Vázquez-Marrero  
TSPR 16,187  
[mvazquez@diazvaz.law](mailto:mvazquez@diazvaz.law)

*/s Joannely Marrero-Cruz*  
Joannely Marrero Cruz  
TSPR 20,014  
[jmarrero@diazvaz.law](mailto:jmarrero@diazvaz.law)

**DÍAZ & VÁZQUEZ LAW FIRM, P.S.C.**  
290 Jesús T. Piñero Ave.  
Oriental Tower, Suite 803  
San Juan, PR 00918  
Tel.: (787) 395-7133  
Fax. (787) 497-9664

## 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](mailto:margarita.mercado@us.dlapiper.com) and [laura.rozas@us.dlapiper.com](mailto:laura.rozas@us.dlapiper.com) and to Genera-PR, LLC through its legal representatives [jfr@sbgblaw.com](mailto:jfr@sbgblaw.com); [alopez@sbgblaw.com](mailto:alopez@sbgblaw.com); [legal@genera-pr.com](mailto:legal@genera-pr.com); [regulatory@genera-pr.com](mailto:regulatory@genera-pr.com).

In San Juan, Puerto Rico, this 21<sup>st</sup> day of August 2023.

/s Joannely Marrero-Cruz  
Joannely Marrero Cruz