

**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 August  
25, 2023, 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") 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. 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.<sup>1</sup> To streamline the process, the Energy Bureau requested PREPA to submit the specific projects to the Energy Bureau at least thirty (30) calendar days before their submittal to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency ("COR3") and the Federal Emergency Management Agency ("FEMA").<sup>2</sup>

On August 20, 2021, the Energy Bureau issued a Resolution and Order ("August 20 Resolution"),<sup>3</sup> through which it determined that the March 26 Resolution applies equally to LUMA<sup>4</sup>.

On August 25, 2023, LUMA filed a document titled *Motion Submitting One Scope of Work, Request for Confidentiality and Supporting Memorandum of Law* ("August 25 Motion"), in which LUMA submits the scope of work ("SOW") for the following project: "4x25 MW BESS interconnections on LUMA System."<sup>5</sup> Such project is described in Exhibit 1 of the August 25 Motion.

LUMA requested confidential designation and treatment to the unredacted version of Exhibit 1 attached to the August 25 Motion as it contains confidential information associated with critical energy infrastructure information (CEII) that cannot be disclosed to the public<sup>6,7</sup>.

**II. Evaluation of the August 25, 2023**

Through the August 25 Motion, as Exhibit 1, LUMA submitted SOW for: "4 x 25 MW BESS Interconnections at LUMA 38kV System".

<sup>1</sup> 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").

<sup>2</sup> March 26 Resolution, pp. 14-15.

<sup>3</sup> August 20 Resolution, p. 3.

<sup>4</sup> LUMA Energy, LLC, and LUMA Energy ServCo, LLC (collectively referred as, "LUMA").

<sup>5</sup> August 25 Motion, p. 2, ¶ 3.

<sup>6</sup> *Id.*, pp. 2-3, ¶ 4.

<sup>7</sup> See Resolution, *In re: Política Publica de Información Confidencial en los Procedimientos ante la Comisión*, Case No. CEPR-MI-2016-0009, August 31, 2016.



The SOW in Exhibit 1 consists of the construction of the following infrastructure:<sup>8</sup>

- Four Energy Storage Systems ("ESS") are considered for this project. The ESS size is to be 25MW/100MWh for a 38kV interconnection.
- Each ESS shall have the Power Station (bi-directional inverters-PCS, step-up transformers, as needed, and AC switchgear) DC block (batteries and associated BMS), controls and monitoring system, protection systems (DC and AC levels), heating/cooling systems (thermal management), fire prevention, gas monitoring and protection systems, and communications systems.
- Thirty-six (36) new 38/.48kV 3MVA Dry Type Transformers.
- The fast frequency regulation (FFR) will be the primary use case that shall be considered in the ESS sizing calculation.
- The frequency regulation is based on a measurement from an accurate Power Quality Meter (PQM) at PCC location certified for precise measurements. The high-accuracy grid frequency measurements from PQM shall be used for driving the FFR application.

The total estimated costs for the project represent **\$216,579,428.00** which includes **\$21,127,952.00** for Architectural & Engineering Design and **\$195,451,476.00** for Procurement and Construction. All costs are based on a Class 5 estimates that includes materials, construction, labor, and equipment, engineering, permitting, management, and contingencies.<sup>9</sup>

After a review of Exhibit 1 of the August 25 Motion, the Energy Bureau **DETERMINES** that the project is necessary to improve the reliability and resiliency of the Puerto Rico electric transmission system, by interconnecting the Energy Storage Systems (ESS) to four locations across Puerto Rico.

The Energy Bureau **APPROVES** the project described in **Attachment 1** to this Resolution and Order. This approval represents **\$216,579,428.00** based on the Class 5 Cost Estimates submitted by LUMA.

### III. LUMA's Request for Confidential Information Designation and Treatment of parts of Exhibit 1 of the August 25 Motion

In the August 25 Motion, LUMA requested that the unredacted version of parts of Exhibit 1 be granted confidential treatment. LUMA alleges that the unredacted version of the SOWs in Exhibit 1 contain information in the form of critical energy infrastructure information or critical electric infrastructure information ("CEII") that garners protection from public disclosures pursuant to federal statutes and regulations;<sup>10</sup> personal identifying information of individuals who are LUMA staff or contractors protected under Puerto Rico's legal framework. to the confidential and the Energy Bureau policy on management of confidential information,<sup>11</sup> that therefore is also protected under Act 57-2014.<sup>12</sup>

<sup>8</sup> August 25 Motion, Exhibit 1, pp. 4-5.

<sup>9</sup> Exhibit 1, p. 7.

<sup>10</sup> 6 U.S.C. §§ 671-674; 18 C.F.R. §388.113 (2020).

<sup>11</sup> Resolution, *In re: Política sobre Manejo de Información Confidencial en los Procedimientos ante la Comisión*, Case No. CEPR- MI-2016-0009, issued on August 31, 2016.

<sup>12</sup> Known as *Puerto Rico Energy Transformation and RELIEF Act*, as amended.





Table 1: LUMA's Request for Confidential Information Designation and Treatment.<sup>13</sup>

Document	Name	Pages in which Confidential Information is Found, if applicable	Summary of Legal Basis for Confidentiality Protection, if applicable	Date Filed
Exhibit 1	4x25 MW BESS Interconnection at LUMA 38 kV System	Page 1	Right to privacy ( <i>see, e.g.,</i> Const. ELA, Art. II, Sections 8 and 10)	August 25, 2023
		Pages 4, 8, 9 and 10	Critical Energy Infrastructure Information, 18 CFR § 388.113; 6 USC §§ 671-674	August 25, 2023

IV. Energy Bureau Determination

The Energy Bureau **APPROVES** the project in **Attachment 1** to this Resolution and Order, which shall be presented to FEMA and COR3 to finalize their approval process for the request of federal funds. The Energy Bureau approved this project based on the information provided by LUMA. Should the scope of the project change or the request for the federal funds are not approved for this project, LUMA **SHALL** immediately seek the Energy Bureau's approval of such changes.

The Energy Bureau **ORDERS** LUMA to (i) submit to the Energy Bureau copy of the approval by COR3 and/or FEMA of the project in **Attachment 1** of this Resolution and Order, which shall contain the costs obligated for the project, **within ten (10) days of receipt of the approval**; (ii) provide the Energy Bureau the actual contracted cost to construct the project in **Attachment 1** of this Resolution and Order, **within ten (10) days from the execution of the contract**; and (iii) inform the Energy Bureau once the project is completed.

The directive established in the March 26 Resolution regarding the submission of projects before the Energy Bureau at least thirty (30) calendar days before submitting such projects to FEMA and/or COR3 remains unaltered.

Act 57-2014<sup>14</sup> establishes that any person having the duty to submit information to the Energy Bureau, can request privilege or confidential treatment to any information that the party submitting understands deserves such protection.<sup>15</sup> Specifically, Act 57-2014 requires the Energy Bureau to treat as confidential the submitted information stated that "the Energy Bureau, after the appropriate evaluation, believes such information should be protected".<sup>16</sup> In such case, the Energy Bureau "shall grant such protection **in a manner that least affects the public interest, transparency,** and the rights of the parties involved in the administrative procedure in which the allegedly confidential document is submitted."<sup>17</sup>

<sup>13</sup> August 25 Motion, p. 12.

<sup>14</sup> *Id.*

<sup>15</sup> Section 6.15 of Act 57-2014.

<sup>16</sup> *Id.*

<sup>17</sup> *Id.* (Emphasis added).



After a review of LUMA’s arguments and the applicable law, the Energy Bureau **GRANTS** confidential designation and treatment to the parts of Exhibit 1 as described in Table 1 above, pursuant to Article 6.15 of Act 57-2014. The Energy Bureau **TAKE NOTICE** that LUMA already submitted a redacted (*i.e.*, public) version of Exhibit 1 as described in Table 1.

The Energy Bureau **WARNS** LUMA that, noncompliance with any provision of this Resolution and Order, may result in the imposition of fines pursuant to Act 57-2014<sup>18</sup> and applicable Energy Bureau’s regulations and any other appropriate administrative sanctions, as considered appropriate by the Energy Bureau.

Be it notified and published.

	
Edison Avilés Deliz Chairman	
	
Lillian Mateo Santos Associate Commissioner	Ferdinand A. Ramos Soegaard Associate Commissioner
	
Sylvia B. Ugarte Araujo Associate Commissioner	Antonio Torres Miranda Associate Commissioner

**CERTIFICATION**

I certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on August 30, 2023. I also certify that in August 30, 2023 a copy of this Resolution and Order was notified by electronic mail to the following: laura.rozas@us.dlapiper.com; margarita.mercado@us.dlapiper.com, Yahaira.delarosa@us.dlapiper.com; jmarrero@diazvaz.law; mvazquez@diazvaz.law, julian.angladapagan@us.dlapiper.com. I also certify that today, August 30, 2023, I have moved forward with filing the Resolution and Order issued by the Puerto Rico Energy Bureau.

I sign this in San Juan, Puerto Rico, today August 30, 2023.

  
Sonia Seda Gaztambide  
Clerk



<sup>18</sup> Known as the Puerto Rico Energy Transformation and RELIEF Act, as amended.

Attachment 1  
Project Approved by the Energy Bureau

Region	Project Name	Presented Estimate (\$M)	
Island wide Substation	4x25 MW BESS Interconnections on LUMA System	Architectural & Engineering Design	\$21,127,952.00
		for Procurement and Construction	\$195,451,476.00
Total			\$216,579,428.00

