

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

NEPR

Received:

Sep 20, 2023

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IN RE:

REVIEW OF LUMA'S INITIAL BUDGET

CASE NO.: NEPR-MI-2021-0004

SUBJECT: Motion to Submit Reports on Grid Modernization and Emergency Work-Related Federal Funding in Compliance with Resolution and Order dated June 25, 2023

**MOTION TO SUBMIT REPORTS ON GRID MODERNIZATION AND EMERGENCY
WORK-RELATED FEDERAL FUNDING IN COMPLIANCE WITH RESOLUTION
AND ORDER DATED JUNE 25, 2023**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW GENERA PR LLC (“Genera”), as agent of the Puerto Rico Electric Power Authority (“PREPA”),¹ through its counsel of record, and respectfully state and request the following:

1. On May 16, 2023, LUMA² filed a document with the Energy Bureau of the Puerto Rico Service Regulatory Board (“Energy Bureau”) titled *Submission of Consolidated Annual Budgets for Fiscal Year 2024 and Proposed Annual T&D Projections Through Fiscal Year 2026*, in which LUMA submitted the Proposed Consolidated FY24 Budget, composed of the Proposed T&D Budgets developed by LUMA, the proposed GenCo Budgets revised by Genera on behalf of PREPA for the PREPA subsidiary GenCo LLC, and the proposed budget developed by PREPA for

¹ Pursuant to the *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* (“LGA OMA”), dated January 24, 2023, executed by and among PREPA, Genera, and the Puerto Rico Public-Private Partnerships Authority, Genera is the sole operator and administrator of the Legacy Generation Assets (as defined in the LGA OMA) and the sole entity authorized to represent PREPA before the Energy Bureau with respect to any matter related to the performance of any of the O&M Services provided by Genera under the LGA OMA.

² LUMA Energy, LLC and LUMA Energy ServCo, LLC (jointly referred to as “LUMA”).

its holding company, HoldCo, and its subsidiaries PREPA HydroCo LLC and PREPA PropertyCo LLC.

2. On June 25, 2023, the Energy Bureau issued a Resolution and Order titled *Determination on the FY24 Annual Budgets for the Electric Utility System – LUMA, Genera, and PREPA* (the "June 25th Order"), through which it (1) modified the Proposed Consolidated Fiscal Year 2024 Budget submitted by LUMA; (2) approved the modified budgets subject to compliance with various orders included in the June 25th Order; and (3) included a series of determinations and orders addressed to Genera regarding the GenCo Budget.³

3. Pertinent to this Motion., the June 25th Order included reporting requirements outlined in its Attachment I, comprising but not limited to:

- a. Implementation of Grid Modernization Plan Report to be filed bi-monthly;
- b. Permanent and Emergency Work-Related Federal Funding Report & Infrastructure Plan Updates to be filed monthly; and
- c. Budget to Actuals Report to be filed quarterly.

4. On September 1, 2023, Genera filed a document titled *Motion to Submit Monthly Maintenance Report for August 2023, in Compliance with Resolution and Order dated June 25, 2023* ("September 1st Motion"). In this motion, relevant to the present matter, Genera requested that the following modifications be made to the filing schedule for the aforementioned reports required by the June 25th Order:

- a. the Implementation of Grid Modernization Plan within twenty (20) days following the conclusion of each bi-monthly reporting period;

³ See June 25th Order, pp. 16 - 21.

- b. the submission of the Permanent and Emergency Work-Related Federal Funding Report & Infrastructure Plan Updates within twenty (20) days after the end of the monthly reporting period; and
- c. the delivery of Budget to Actuals Reporting within forty-five (45) days after the end of the quarterly reporting period.

5. In compliance with the June 25th Order and in accordance with the September 1st Motion, Genera submits herewith a series of reports, listed as exhibits below, which provide information and status as of August 31, 2023, on the major investment categories and projects that Genera, is implementing to deliver reliable and resilient power. The information provided fulfills the reporting requirements set forth by the June 25th Order regarding (a) the implementation of the Grid Modernization and (b) Permanent and Emergency Work-Related Federal Funding Report & Infrastructure from July 1st to August 30, 2023.

6. Furthermore, in the future, Genera will file the reports pertaining to (a) the implementation of the Grid Modernization and (b) Permanent and Emergency Work-Related Federal Funding Report & Infrastructure monthly instead of the required bi-monthly reporting period for Grid Modernization. The reporting cadence will follow that requested in the September 1st Motion as “within twenty (20) days after the end of the monthly reporting period.”

7. The attached exhibits are the following:

- i. *Exhibit A*, Genera Grid Modernization Highlights_31Aug2023;
- ii. *Exhibit B*, Genera Project Master-Tracker_1Sept2023;
- iii. *Exhibit C*, Genera Project Cash Flow_1Sept2023;
- iv. *Exhibit D*, Genera Cost Overview_1Sept2023;
- v. *Exhibit E*, Genera Critical Tasks_1Sept2023; &
- vi. *Exhibit F*, Genera Project Overview_1Sept2023.

WHEREFORE, Genera respectfully requests that this Energy Bureau **take notice** of the above for all purposes; and **deem** that Genera has partially complied with the June 25th Order concerning the reports specified in Attachment I of the June 25th Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 20th day of September 2023.

ECIJA SBGB
PO Box 363068
San Juan, Puerto Rico 00920
Tel. (787) 300.3200
Fax (787) 300.3208

/s/ Jorge Fernández-Reboredo
Jorge Fernández-Reboredo
jfr@sbgblaw.com
TSPR 9,669

/s/ Alejandro López-Rodríguez
Alejandro López-Rodríguez
alopez@sbgblaw.com
TSPR 22,996

CERTIFICATE OF SERVICE

We hereby certify that a true and accurate copy of this motion was filed with the Office of the Clerk of the Energy Bureau using its Electronic Filing System and that an electronic copy of this motion will be sent to Joannely Marrero-Cruz, at jmarrero@diazvaz.law; Maralíz Vázquez-Marrero, at mvazquez@diazvaz.law; Margarita Mercado Echegaray, at margarita.mercado@us.dlapiper.com; and Ana Margarita Rodríguez Rivera, at ana.rodriguezrivera@us.dlapiper.com promptly after such filing.

In San Juan, Puerto Rico, this 20th day of September 2023.

/s/ Alejandro López-Rodríguez
Alejandro López-Rodríguez

Exhibit A

Genera Grid Modernization Highlights_31Aug2023

Grid Modernization Highlights – Genera PR – 31AUG2023

Accomplishments (current month)	Upcoming Actions and Activities (next two weeks)
<ul style="list-style-type: none"> • Generation Assets Repairs <ul style="list-style-type: none"> • Palo Seco #4 – 08AUG2023 Forced outage due to gen protection trip. Remove the generator to inspect. The rotor has been removed from the stator and will be evaluated by a technical advisor over the weekend. The estimated completion date is still to be determined. • Palo Seco #3 – 07AUG2023 Forced Outage due to economizer failure and heater valve problems. Unit. Repair completed on 18AUG2023 • Aguirre #2 – 05AUG2023 Forced outage due to vacuum problems. Repair completed on 07AUG2023 • Gen Outage Plan Revision agreed with LUMA. <ul style="list-style-type: none"> • Palo Seco #4 – Environmental outage delayed from SEP2023 to NOV2023 • Costa Sur #6 – Hydrogen repair outage delayed from SEP2023 to NOV2023 • Aguirre #2 – Exciter system repair and environmental outage from SEP2023 to DEC2023 	<ul style="list-style-type: none"> ▪ Transformers <ul style="list-style-type: none"> • Replacement of ESST 7-8 with ESST CS 3-4 in progress. The estimated completion date is 02SEP2023. • Troubleshooting and repairs in progress on Aguirre CC main power transformers 2-1 and 2-2. CT with low megger under LUMA evaluation. After LUMA's evaluation, an order is prepared for the pre-term inspection of the CTs of the transformers.
High Priority Due Outs (Short Suspense)	Challenges, Shortfalls, Limitations or Constraints
<ul style="list-style-type: none"> ▪ Costa Sur #5 – Unit Major Maintenance in progress. Estimated completion date 13OCT2023 (FEMA reimbursable). • Aguirre #1 – Stator cooling fan seal found broken. Estimated completion date: 21SEP2023 (NME funded). • San Juan #7 – Environmental maintenance. Air heater replacement. The unit is expected to return to service in 21SEP2023 (FEMA reimbursable). 	<ul style="list-style-type: none"> ▪ Aguirre Combined Cycle <ul style="list-style-type: none"> • Units 1-3 –Major inspection in progress. Expected to return in NOV2023. (FEMA funded) • Units 1-4 – Currently offline due to generator rotor. Repair contracted. ▪ Costa Sur Power Plant <ul style="list-style-type: none"> • Installation of CS 5 Boiler Feed Pump internal parts: by 4th week of SEP2023. Unit load limited. (FEMA funded) • Additional temporary power is needed. A request for an extension of time and an increase in capacity was made to the Federal Government, and it is currently under consideration.

Grid Modernization Report

Legacy Generation Assets – Status as of 31AUG2023

UNIT	COD	USE	FUEL	NAMEPLATE CAPACITY (MW)	CURRENT CAPACITY	REPAIRS FUNDS SOURCE	EXPECTED COMPLETION DATE	NOTES
Aguirre 1	May 1975	Base	Bunker C	450	0	Federal & NME	9/21/2023	Under maintenance
Costa Sur 5	Sep 1972	Base	LNG & Bunker C	410	0	Federal	10/7/2023	Under maintenance
San Juan 7	May 1965	Base	Bunker C	100	0	NME	9/21/2023	Under maintenance
Palo Seco 4	Jul 1970	Base	Bunker C	216	0	NME	TBD	Under repair
Palo Seco 3	Feb 1970	Base	Bunker C	216	180	N/A	N/A	Limitations
Aguirre 2	Oct 1975	Base	Bunker C	450	375	N/A	N/A	Limitations
Costa Sur 6	Sep 1973	Base	LNG & B C	410	350	N/A	N/A	Limitations
AG-CC 1&2	July 1977	Reserve	Diesel	592	200	N/A	N/A	Limitations
Mayaguez	Apr 2009	Reserve	Diesel	220	199	N/A	N/A	Limitations
Cambalache	Apr 1997	Reserve	Diesel	247	154	N/A	N/A	Failures and limitations
Peakers Fleet	(18) 1971 & (3) 2019	Reserve	Diesel	396	168	N/A	N/A	Failures and limitations
San Juan 5	Oct 2008	Base	LNG & Diesel	220	210	N/A	N/A	Normal operation
San Juan 6	Oct 2008	Base	LNG & Diesel	220	210	N/A	N/A	Normal operation
San Juan 9	June 1968	Base	Bunker C	100	97	N/A	N/A	Normal operation
TOTALS				4,247 MW	2,145 MW			Available Capacity

Unit under maintenance or repair

Unit in service with limited Capacity

Unit under normal operation



Exhibit B

Genera Project Master-Tracker_1Sept2023



Project: GENERA Projects Mast Date: Fri 9/1/23	Task		Summary		Inactive Milestone		Duration-only		Start-only		External Milestone		Critical Split	
	Split		Project Summary		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline		Progress	
	Milestone		Inactive Task		Manual Task		Manual Summary		External Tasks		Critical		Manual Progress	



Project: GENERA Projects Maste
Date: Fri 9/1/23

Task		Summary		Inactive Milestone		Duration-only		Start-only		External Milestone		Critical Split	
Split		Project Summary		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline		Progress	
Milestone		Inactive Task		Manual Task		Manual Summary		External Tasks		Critical		Manual Progress	



Project: GENERA Projects Maste Date: Fri 9/1/23	Task		Summary		Inactive Milestone		Duration-only		Start-only		External Milestone		Critical Split	
	Split		Project Summary		Inactive Summary		Manual Summary Rollup		Finish-only		Deadline		Progress	
	Milestone		Inactive Task		Manual Task		Manual Summary		External Tasks		Critical		Manual Progress	

Exhibit C

Genera Project Cash Flow_1Sept2023

CASH FLOW

Actual Cost

\$17,100,215.96

Baseline Cost

\$908,250,079.86

Remaining Cost

\$877,440,863.90

Cost Variance

(\$13,709,0000.00)



The chart shows the project's cumulative cost and the cost per quarter. To see the costs for a different time period, select the Edit option from the Field List.

The table below shows cost information for all top-level tasks. To see cost stats for all tasks, set the Outline Level in the Field List.

Name	Remaining Cost	Actual Cost	Cost	ACWP	BCWP	BCWS
Milestones	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Operations Outage Schedule	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Permits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NME Projects	\$55,957,526.53	\$177,428.33	\$56,134,954.86	\$177,428.33	\$57,619.66	\$3,000,000.00
Federal Projects	\$821,483,337.37	\$16,922,787.63	\$838,406,125.00	\$16,922,787.63	\$14,342,086.84	\$2,285,388.25

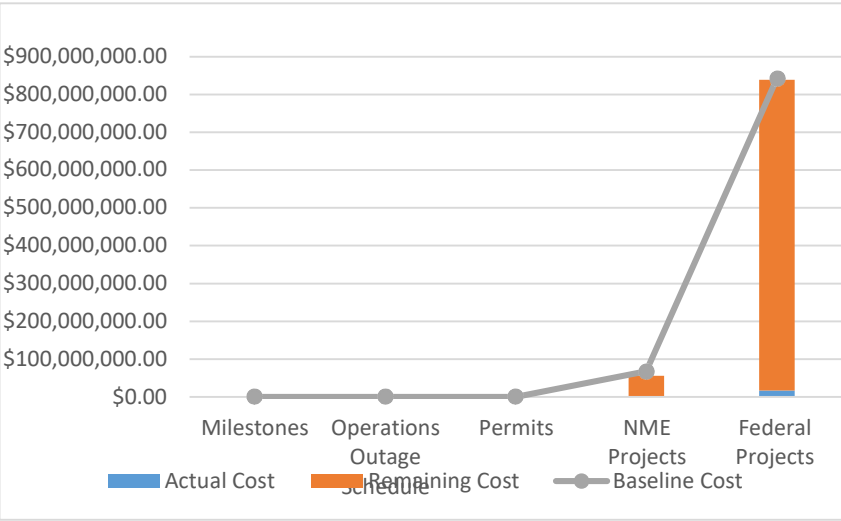
Exhibit D

Genera Cost Overview_1Sept2023

TASK COST OVERVIEW

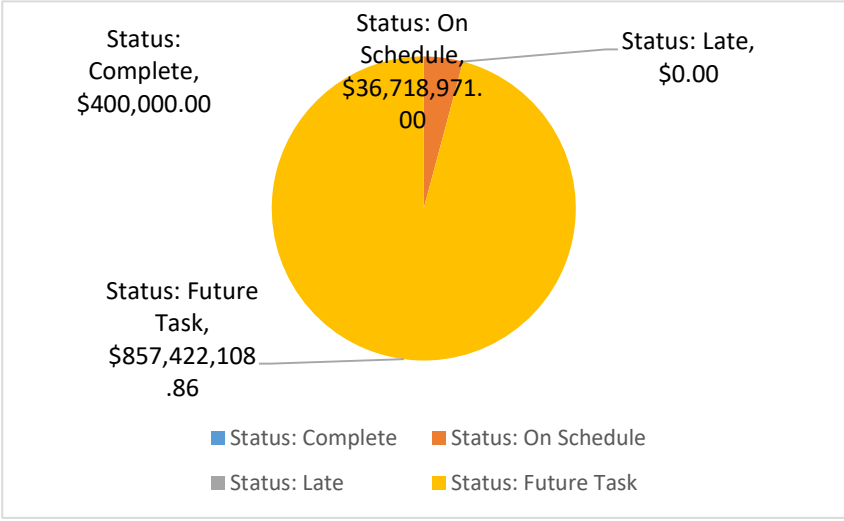
COST STATUS

Cost status for top-level tasks.



COST DISTRIBUTION

How costs are spread out amongst tasks based on their status.



COST DETAILS

Cost details for all top-level tasks.

Name	Fixed Cost	Actual Cost	Remaining Cost	Cost	Baseline Cost	Cost Variance
Milestones	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Operations Outage Schedule	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Permits	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
NME Projects	\$0.00	\$177,428.33	\$55,957,526.53	\$56,134,954.86	\$67,079,954.86	(\$10,945,000.00)
Federal Projects	\$0.00	\$16,922,787.63	\$821,483,337.37	\$838,406,125.00	\$841,170,125.00	(\$2,764,000.00)

Exhibit E
Genera Critical Tasks_1Sept2023

CRITICAL TASKS

A task is critical if there is no room in the schedule for it to slip.

[Learn more about managing your project's critical path.](#)

- Status: Complete
- Status: On Schedule
- Status: Late
- Status: Future Task

Name	Start	Finish	% Complete	Remaining Work	Resource Names
Aguirre Procurement General	Mon 7/3/23	Fri 10/13/23	59%	0 hrs	
PREB Approval for RFP Changes	Mon 7/3/23	Fri 9/1/23	0%	0 hrs	
Procurement Long Lead Items	Mon 9/4/23	Fri 11/3/23	0%	0 hrs	Subcontracts
Procurement EPC Contract	Mon 9/4/23	Fri 11/3/23	0%	0 hrs	Subcontracts
FAASt New Black Start System at Costa Sur	Mon 11/6/23	Fri 12/26/25	0%	0 hrs	Subcontracts[\$45,200,000.00]
FAASt New Black Start System at Aguirre (Yabucoa)	Mon 11/6/23	Fri 12/26/25	0%	0 hrs	Subcontracts[\$45,200,000.00]
Simple Gas Turbines	Mon 11/6/23	Fri 12/26/25	0%	0 hrs	Subcontracts[\$613,541,936.00]

Exhibit F

Genera Project Overview_1Sept2023.

PROJECT OVERVIEW

MON 7/3/23 - FRI 12/26/25

% COMPLETE

9%

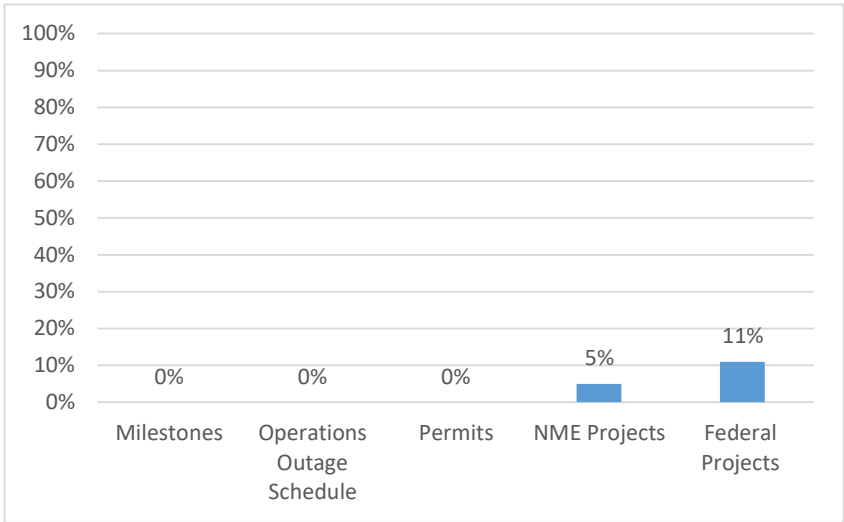
MILESTONES DUE

Milestones that are coming soon.

Name	Finish
Projects Completed at Cambalache	Mon 12/25/23
Projects Completed at Palo Seco Power Plant	Mon 7/1/24
Projects Completed at Mayaguez	Mon 7/29/24
Projects Completed at San Juan Power Plant	Fri 8/16/24
Projects Completed at Aguirre Power Plant	Tue 10/22/24
Projects Completed at Costa Sur Power Plant	Fri 12/12/25
Combustion Turbine 5	Mon 9/11/23
Steam Turbine 5	Mon 7/3/23
Combustion Turbine 6	Mon 3/11/24
Steam Turbine 6	Mon 3/11/24
Steam Boiler 7	Mon 2/12/24
Steam Boiler 9	Mon 4/8/24
Steam Boiler 3	Mon 1/1/24
Steam Boiler 4	Fri 9/22/23
Steam Boiler 6	Fri 1/5/24
Steam Boiler 1	Mon 7/3/23
Steam Boiler 2	Mon 11/20/23
Combine Cycle Stack 1	Fri 1/26/24
Combine Cycle Stack 2	Fri 1/26/24

% COMPLETE

Status for all top-level tasks. To see the status for subtasks, click on the chart and update the outline level in the Field List.



LATE TASKS

Tasks that are past due.

Name	Start	Finish	Duration	% Complete	Resource Names
Steam Turbine 5	Mon 7/3/23	Mon 7/3/23	0 days	0%	
Steam Boiler 1	Mon 7/3/23	Mon 7/3/23	0 days	0%	
Aguirre Unit 1 - Environmental Maintenance	Mon 7/3/23	Fri 8/11/23	30 days	0%	Subcontracts[\$3,000,000.00]
Procurement Water Heater for Dearator	Mon 7/3/23	Mon 8/7/23	23 days	0%	Subcontracts[\$400,000.00]
PREB Approval for RFP Changes	Mon 7/3/23	Fri 9/1/23	45 days	0%	
Fuel Igniters Replacement Installation	Mon 7/10/23	Fri 9/29/23	60 days	0%	Subcontracts[\$2,364,000.00]



