

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

NEPR

Received:

Sep 27, 2023

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IN RE: REVIEW OF LUMA'S INITIAL BUDGETS

CASE NO.: NEPR-MI-2021-0004

SUBJECT: PREPA's Second Request for Extension of Time to Submit the Budget to Actual Report as Ordered in the June 25 Order

PREPA'S SECOND REQUEST FOR EXTENSION OF TIME 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, 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, the Energy Bureau issued a *Resolution and Order* ("June 25 Order")

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

through which it modified the Proposed Consolidated Fiscal Year 2024 submitted by LUMA and approved the modified budgets subject to compliance with various orders ("FY24" Approved Budget").

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. On August 21, 2023, PREPA filed a document titled *PREPA's Request/or Amendment of the Deadline to Submit the Budget to Actual Report as Ordered in the June 25 Order* ("August 21 Motion"). Through the August 21 Motion, PREPA requested an amendment to the deadline to submit the Budget to Actual Report as Ordered in the June 25 Resolution because PREPA receives the account close documents from LUMA 25-30 days after month end, after which PREPA's finance department evaluates the documents to compile the monthly B2A Report.

5. On September 15, 2023, PREPA filed a document titled *PREPA's Renewed Request for Extension of Time to Submit the Budget to Actual Report as Ordered in the June 25 Order* ("September 15 Motion"). Through its September 15 Motion, PREPA alleges there were significant delays in receiving the July month-end closing documents due to the Genera PR, LLC transaction and that it has yet to receive the finalized closing documents.

6. On September 21, 2023, the Energy Bureau issued a *Resolution and Order* granting PREPA's September 15 Motion and allowing the extension to file the B2A Report until today September 27, 2023.

7. Unfortunately, PREPA respectfully informs the Energy Bureau it is still waiting on the finalized documents from LUMA and also continuing to reconcile some accounting matters resulting from the transition with Genera. PREPA herein requests a brief extension of time of two days, until this Friday, September 29, 2023, to corroborate the preliminary information received and submit the July 2023 B2A Report.

8. This second request for an extension of time to submit the B2A Report is made in good faith, in order to provide the most complete and corroborated information to the Energy Bureau, and with no intention to delay the Energy Bureau's evaluation of the B2A Report.

WHEREFORE, PREPA respectfully requests the Energy Bureau to take **NOTICE** of the information provided and **APPROVE** this second and brief request for an extension of only two days, until September 29, 2023, to submit the B2A Report.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 27th day of September 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 27th day of September 2023.

/s Joannely Marrero-Cruz
Joannely Marrero Cruz