

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

NEPR Received: Oct 4, 2023 7:34 PM

IN RE:

REVIEW OF LUMA’S INITIAL BUDGET

CASE NO.: NEPR-MI-2021-0004

SUBJECT: Motion Submitting Response to Resolution and Order Dated September 27, 2023

**MOTION SUBMITTING RESPONSE TO RESOLUTION AND ORDER DATED
SEPTEMBER 27, 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 counsels of record, and respectfully state and request the following:

1. On June 25, 2023, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("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 modified the Proposed Consolidated Fiscal Year 2024 ("FY24") Budget submitted by LUMA Energy, LLC and LUMA Energy ServCo, LLC (collectively referred to as, "LUMA") and approved the modified budgets subject to compliance with various orders in the June 25th Order.

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 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. Through the June 25th Order, the Energy Bureau ordered PREPA to file for review and approval, any new contract or amendment to an existing contract, before executing or making any award of such contract or amendment.

3. After several procedural events between the Energy Bureau and PREPA pertaining the matter of the June 25th Order to PREPA detailed above, on August 16, 2023, the Energy Bureau issued a Resolution and Order titled *Request of Information* (“August 16th Order”) through which, among other things, ordered PREPA to file a table including the totality of the approved and proposed contracts for FY24, the amounts approved and proposed for those contracts, the line items from the category to which they correspond, and the remaining balance for that category considering said amounts within ten (10) days of the notification of the August 16th Order.

4. On September 1, 2023, PREPA filed a document titled *PREPA's Motion for Reconsideration of Portions of the August 16 Order and in Compliance with the August 14 Request for Information and the August 16 Order* (“PREPA’s September 1 Motion”). Pertinent to this Motion, PREPA’s September 1st Motion stated that “Other contracts PREPA is unable to cancel are the Genesis Security Services Inc. (“Genesis”) contracts, these security contracts which are divided into two contracts for the north and south regions and are shared with Genera. Of these contracts, Genera holds 70% of the services and PREPA maintains 30%.”²

5. On September 27, 2023, the Energy Bureau issued a Resolution and Order titled *Resolution and Order pertaining to PREPA’s Motion for Reconsideration of Portions of the August 16 Order and in Compliance with the August 14 Request for Information and the August 16 Order, filed by the Puerto Rico Electric Power Authority* (“September 27th Order”). In light of PREPA’s

² PREPA's September 1st Motion, p 23. Also see Appendix G of the September 1st Motion, where PREPA included a Certification dated September 1, 2023, which specifies that from July 1, 2023, to June 30, 2024, Genera will be responsible for 70% of the payment for security services, while PREPA will be responsible for the remaining 30%.

September 1st Motion certifying that Genera was responsible for reimbursing PREPA for 70% of the amount contracted for services rendered by Genesis, the Energy Bureau, among other things, ordered Genera to indicate, **within five (5) business days**, the line item within Genera's approved budget (as per the June 25th Order) from which Genera will reimburse PREPA for 70% of the Genesis invoiced amount for security services rendered during Fiscal Year 2024.

6. In Compliance with the September 27th Motion, Genera respectfully informs the Energy Bureau that the line item within Genera's approved budget, from which Genera will apply this 70% payment for security, corresponds to the **Non-Labor** line item of the approved FY24 2024 GenCo Operating Budget – Attachment D of the June 25th Order.

WHEREFORE, Genera respectfully requests that this Honorable Energy Bureau **take notice** of the above for all purposes and **deem** Genera to be in compliance with the September 27th Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 4th day of October 2023.

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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 we will send an electronic copy of this motion to Joannely Marrero-Cruz, at jmarrero@diazvaz.law; Maralíz Vázquez-Marrero, at m vazquez@diazvaz.law; Margarita Mercado Echegaray, at margarita.mercado@us.dlapiper.com; and Ana Margarita Rodríguez Rivera, at ana.rodriguezrivera@us.dlapiper.com.

In San Juan, Puerto Rico, this 4th day of October 2023

/s/ Alejandro López-Rodríguez
Alejandro López-Rodríguez