NEPR

Received:

Nov 1, 2023

9:41 PM

COMMONWEALTH OF PUERTO RICO PUBLIC SERVICE REGULATORY BOARD PUERTO RICO ENERGY BUREAU

IN RE: LUMA'S RESPONSE TO HURRICANE FIONA **CASE NO. NEPR-MI-2022-0003**

SUBJECT: Final Update on Stabilization Plan, Request for Confidential Treatment of Portions Thereof and Request for Release from Requirement to File Bi-Weekly Reports

MOTION SUBMITTING FINAL UPDATE ON STABILIZATION PLAN FOR TEMPORARY EMERGENCY GENERATION CAPACITY, REQUEST FOR CONFIDENTIAL TREATMENT OF PORTIONS THEREOF AND REQUEST FOR RELEASE FROM REQUIREMENT TO FILE BI-WEEKLY REPORTS

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC ("ManagementCo"), and LUMA Energy ServCo, LLC ("ServCo"), (jointly referred to as "LUMA"), and respectfully state the following:

- I. Submission of Final Update on Stabilization Plan for Temporary Emergency Generation Capacity
- 1. In a Resolution and Order of October 7, 2022 ("October 7th Order") with the subject "Baseload Generation Dispatch Status-Post Hurricane Fiona," this honorable Puerto Rico Energy Bureau ("Energy Bureau") convened a Technical Conference to discuss concerns raised by LUMA in a letter dated October 6, 2022, regarding Resource Adequacy and potential Generation resource deficiencies following Hurricane Fiona. Per the October 7th Order, the topics to be discussed at the Technical Conference were "(i) Dispatch Status of the available Baseload Generation post Hurricane Fiona and (ii) the identified temporary emergency mitigation measures thought to address the generation deficiencies arising from Hurricane Fiona."¹

¹ The Technical Conference was held as scheduled on October 11, 2022. During the Technical Conference, the Energy Bureau and consultants for the Energy Bureau posed questions to LUMA's representatives.

- 2. On October 12, 2022, the Energy Bureau entered a Resolution and Order whereby it ordered LUMA to develop a stabilization plan as a direct response to Hurricane Fiona, in coordination with the Federal Emergency Management Agency ("FEMA") and the Puerto Rico Electric Power Authority ("PREPA") "to address any baseload generation inadequacy or shortfall that affects the dispatch availability and has the potential to cause load shedding or a blackout event of the electric system ("Stabilization Plan")" ("October 12th Order").
- 3. Per the October 12th Order, LUMA was directed to submit the 1st and the 15th day of each month from the notice of the Order, an updated report addressing the efforts conducted by LUMA to assure the completion of the Stabilization Plan.
 - 4. On October 31st, 2022, LUMA submitted the First Update on the Stabilization Plan.
- 5. On November 1, 2022, this Energy Bureau held a technical conference for November 1, 2022 ("October 27th Order) in connection with the first update on the Stabilization Plan. LUMA representatives appeared to discuss the Stabilization Plan and answered questions by this Energy Bureau.
- 7. On November 15, 2022, LUMA submitted a Second Update on the Stabilization Plan ("Second Update"). In addition, LUMA submitted supplemental information to the Second Update arising from a joint press conference of November 15th, 2022, where the Governor of Puerto Rico, the Hon. Pedro Pierluisi and the Federal Coordinator for the Federal Emergency Management Agency ("FEMA"), Nancy Casper, announced that FEMA's power stabilization initiative aims to install between 600 to 700 MW of temporary emergency generation capacity through the mobilization of power generation maritime barges and temporary land-based generators. See Supplemental Submission to Second Update on Stabilization Plan to Inform of

Announcement by the Puerto Rico Government and FEMA on Temporary Emergency Generation Capacity, filed on November 15, 2022.

- 8. On December 1st, 2022, LUMA submitted the Third Update on the Stabilization Plan.
- 9. Subsequent updates to the Stabilization Plan were filed on December 1st, 2022 (Third Update), December 15, 2022 (Fourth Update), January 17,2023 (Fifth Update); January 31, 2023 (Sixth Update); February 14, 2023 (Seventh Update); March 1, 2023 (Eight Update); March 15th (Ninth Update); April 3rd (Tenth Update); April 17th (Eleventh Update); May 1, 2023 (Twelfth Update); May 15, 2023 (Thirteenth Update); June 1st, 2023 (Fourteenth Update); June 15, 2023 (Fifteenth Update); July 3rd, 2023 (Sixteenth Update); July 17th, 2023 (Seventeenth Update); August 1st, 2023 (Eighteenth Update); August 15th, 2023 (Nineteenth Update); September 1st, 2023 (Twenty-First Update), October 2nd, 2023 (Twenty-Second Update) and October 16, 2023 (Twenty-Third Update).
- 10. As informed in its Seventh Update, FEMA reduced the target emergency generation capacity of the Stabilization Plan from 750MW to 350MW. According to LUMA's resource adequate analysis, the new target emergency generation capacity would still significantly reduce the Loss of Load Expectation ("LOLE"). *See*, Seventh Update dated February 15th, 2023.
- 11. As informed through the Twenty-Third Update on the Stabilization Plan ("Twenty-Third Update"), the emergency generation resources installed at the San Juan and Palo Seco sites reached the Commercial Operation Date with a total combined baseload capacity of 350 MW. Specifically, the seven gensets installed at the Palo Seco Site reached the Commercial Operation Date on June 7, 2023. The 20 gensets installed at the San Juan site reached the Commercial Operation Date on September 27, 2023.

- 12. In light of the completion of the construction activities and the achievement of the Commercial Operation Date at both sites, through the Twenty-Third Update, LUMA informed that it would continue to monitor the operation of the installed emergency generation equipment for an additional 15-day cycle, at the conclusion of which LUMA would respectfully request that the Energy Bureau deem that it has fully complied with the October 12th Order and to release it from the requirement to file further updates to the Stabilization Plan.
- 13. Consistent with the foregoing, LUMA hereby respectfully submits, as *Exhibit 1*, its Twenty-Fourth and last update to the Generation Stabilization Plan. As described in *Exhibit 1*, the emergency generation resources installed at the San Juan and Palo Seco sites have maintained a regular operation for the past 15-day cycle and averaged a total combined baseload capacity of 355 MW. *Exhibit 1* further includes an Executive Summary and identifies the current scenario of generation availability and loss of load expectation (LOLE) days by month.

II. Request for Release from Requirement to File Bi-weekly Updates to the Generation Stabilization Report:

- 14. As per the October 12th Order, the Energy Bureau's interest upon requiring the development of a Stabilization Plan was for LUMA to "address any baseload generation inadequacy or shortfall that affects the dispatch availability and has the potential to cause load shedding or a blackout event of the electric system ("Stabilization Plan")," following the emergency created by Hurricane Fiona. October 12th Order at page 2.
- 15. LUMA understands that the reasons that moved the Energy Bureau to require the filing of bi-weekly updates on the Generation Stabilization Plan have been fulfilled with the achievement of the Commercial Operation Date for the emergency generation units installed at the San Juan and Palo Seco sites and their consistent operation as observed during the past 15 days.

16. In light of the above, LUMA respectfully requests that the Energy Bureau release it from the requirement to file bi-weekly updates on the Generation Stabilization Report.

III. Request for Confidentiality of Portions of the Final Update on Generation Stabilization Report and Memorandum of Law in Support Thereof.

LUMA redacted portions of *Exhibit 1* and respectfully requests that those portions be kept confidential by this honorable Energy Bureau pursuant to the Energy Bureau's Policy on Management of Confidential Information, CEPR-MI-2016-0009, issued on August 31, 2016, and partially amended on September 16, 2016, and in accordance with the confidential nature of the December 20th closed Technical Conference. In compliance with this policy, LUMA hereby submits its Memorandum of Law in support of its request for confidentiality setting forth the legal basis for which LUMA is entitled to file portions of the Twenty-Fourth Report under the seal of confidentiality. As explained below, the Energy Bureau should protect several pictures included in *Exhibit 1* from public disclosure as they contain CEII as defined in federal regulations and the Energy Bureau's Policy on Management of Confidential Information. *See* 18 C.F.R. § 388.113; 6 U.S.C. §§ 671-674; Energy Bureau's Policy on Management of Confidential Information.

A. Applicable Laws and Regulations to Submit Information Confidentially Before the Energy Bureau.

The bedrock provision on the management of confidential information filed before this Energy Bureau is Section 6.15 of Act 57-2014, known as the "Puerto Rico Energy Transformation and Relief Act." It provides, in pertinent part, that: "[i]f any person who is required to submit information to the Energy Commission believes that the information to be submitted has any confidentiality privilege, such person may request the Commission to treat such information as such" 22 LPRA § 1054n. If after appropriate evaluation the Energy Bureau determines that the information should be protected, "it 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." *Id.* § 1054n(a).

The confidential information shall be provided "only to the lawyers and external consultants involved in the administrative process after the execution of a confidentiality agreement." *Id.* § 1054n(b). Finally, Act 57-2014 provides that this Energy Bureau "shall keep the documents submitted for its consideration out of public reach only in exceptional cases. In these cases, the information shall be duly safeguarded and delivered exclusively to the personnel of the [Energy Bureau] who needs to know such information under nondisclosure agreements. However, the [Energy Bureau] shall direct that a non-confidential copy be furnished for public review." *Id.* § 1054n(c).

Relatedly, in connection with the duties of electric power service companies, Section 1.10(i) of Act 17-2019 provides that electric power service companies shall provide the information requested by customers, except for confidential information under the Rules of Evidence of Puerto Rico.

Moreover, the Energy Bureau's Policy on Confidential Information details the procedures a party should follow to request that a document or portion thereof be afforded confidential treatment. In essence, the referenced Policy requires identifying confidential information and filing a memorandum of law explaining the legal basis and support for a request to file information confidentially. *See* CEPR-MI-2016-0009, Section A, as amended by the Resolution of September 20, 2016, CEPR-MI-2016-0009. The memorandum should also include a table that identifies the confidential information, a summary of the legal basis for the confidential designation, and why each claim or designation conforms to the applicable legal basis of confidentiality. *Id.* at \P 3. The party who seeks confidential treatment of information filed with the Energy Bureau must also file

both "redacted" or "public version" and an "unredacted" or "confidential" version of the document that contains confidential information. *Id.* at \mathbb{P} 6.

The Energy Bureau policy on CEII is regulated by Section D of the Resolution issued on August 31, 2016, in Case No. CEPR-MI-2016-0009. Section D establishes that CEII is Validated Confidential Information and only authorized representatives may review such information:

2. Critical Energy Infrastructure Information ("CEII")

The information designated by the [Energy Bureau] as Validated Confidential Information on the grounds of being CEII may be accessed by the parties' authorized representatives only after they have executed and delivered the Nondisclosure Agreement.

Those authorized representatives who have signed the Non-Disclosure Agreement may only review the documents validated as CEII at the [Energy Bureau] or the Producing Party's offices. During the review, the authorized representatives may not copy or disseminate the reviewed information and may bring no recording device to the viewing room.

Id. at § D (on Access to Validated Confidential Information).

Further on, Energy Bureau Regulation No. 8543, includes a provision for filing confidential information in proceedings before this Energy Bureau. To wit, Section 1.15 provides that:

[A] person has the duty to disclose information to the [Energy Bureau] considered to be privileged pursuant to the Rules of Evidence, said person shall identify the allegedly privileged information, request the [Energy Bureau] the protection of said information, and provide supportive arguments, in writing, for a claim of information of privileged nature. The [Energy Bureau] shall evaluate the petition and, if it understands [that] the material merits protection, proceed accordingly to . . . Article 6.15 of Act No. 57-2015, as amended.

Regulation No. 8543, Regulation on Adjudicative, Notice of Noncompliance, Rate Review, and Investigation Proceedings § 1.15; see also Energy Bureau Regulation No. 9137 on Performance Incentive Mechanisms § 1.13 (addressing disclosure before the Energy Bureau of Confidential Information and directing compliance with Resolution CEPR-MI-2016-0009).

B. Request for Confidentiality of the Pictures included in the Twenty-Fourth Update

The Twenty-Fourth Update contains pictures that identify or depict CEII that, under relevant federal law and regulations, is protected from public disclosure. LUMA stresses that the pictures which LUMA redacted from the public version of the Twenty-Fourth Report warrant confidential treatment to protect the Puerto Rico Energy Transmission and Distribution System ("T&D System") from threats that could undermine the system and negatively affect electric power services to the detriment of the interests of the public, customers, and citizens of Puerto Rico.

Generally, CEII or critical infrastructure information is exempted from public disclosure because it involves assets and information which pose public security, economic, health, and safety risks. Federal Regulations on CEII, particularly 18 C.F.R. § 388.113, states that:

Critical energy infrastructure information means specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure that:

- (i) Relates details about the production, generation, transportation, transmission, or distribution of energy;
- (ii) Could be useful to a person in planning an attack on critical infrastructure;
- (iii) Is exempt from mandatory disclosure under the Freedom of Information Act, 5 U.S.C. 552; and
- (iv) Does not simply give the general location of the critical infrastructure.

Id. at § 388.113(2).

Additionally, Section 388.113(3) defines critical electric infrastructure as a "system or asset of the bulk-power system, whether physical or virtual, the incapacity or destruction of which would negatively affect national security, economic security, public health or safety, or any combination of such matters." *Id.* § 388.113(3). Finally, "[c]ritical infrastructure means existing and proposed systems and assets, whether physical or virtual, the incapacity or destruction of

which would negatively affect security, economic security, public health or safety, or any combination of those matters." *Id.* § 388.113(4).

The Critical Infrastructure Information Act of 2002, 6 U.S.C. §§ 671-674, part of the Homeland Security Act of 2002, protects critical infrastructure information ("CII").² CII is defined as "information not customarily in the public domain and related to the security of critical infrastructure or protected systems" 6 U.S.C. § 671(3).³

² Regarding the protection of voluntary disclosures of critical infrastructure information, 6 U.S.C. § 673, provides in pertinent part that CII:

⁽A) shall be exempt from disclosure under the Freedom of Information Act;

⁽B) shall not be subject to any agency rules or judicial doctrine regarding ex parte communications with a decision making official;

⁽C) shall not, without the written consent of the person or entity submitting such information, be used directly by such agency, any other Federal, State, or local authority, or any third party, in any civil action arising under Federal or State law if such information is submitted in good faith;

⁽D) shall not, without the written consent of the person or entity submitting such information, be used or disclosed by any officer or employee of the United States for purposes other than the purposes of this part, except—

⁽i) in furtherance of an investigation or the prosecution of a criminal act; or

⁽ii) when disclosure of the information would be--

⁽I) to either House of Congress, or to the extent of matter within its jurisdiction, any committee or subcommittee thereof, any joint committee thereof or subcommittee of any such joint committee; or

⁽II) to the Comptroller General, or any authorized representative of the Comptroller General, in the course of the performance of the duties of the Government Accountability Office

⁽E) shall not, be provided to a State or local government or government agency; of information or records:

⁽i) be made available pursuant to any State or local law requiring disclosure of information or records;

⁽ii) otherwise be disclosed or distributed to any party by said State or local government or government agency without the written consent of the person or entity submitting such information; or

⁽iii) be used other than for the purpose of protecting critical Infrastructure or protected systems, or in furtherance of an investigation or the prosecution of a criminal act.

⁽F) does not constitute a waiver of any applicable privilege or protection provided under law, such as trade secret protection.

³ CII includes the following types of information:

⁽A) actual, potential, or threatened interference with, attack on, compromise of, or incapacitation of critical infrastructure or protected systems by either physical or computer-based attack or other similar conduct (including the misuse of or unauthorized access to all types of communications and data transmission systems) that violates Federal, State, or local law, harms interstate commerce of the United States, or threatens public health or safety;

⁽B) the ability of any critical infrastructure or protected system to resist such interference, compromise, or incapacitation, including any planned or past assessment, projection, or estimate of

As mentioned above, the Energy Bureau's Policy on Confidential Information provides for the management of CEII. In several proceedings, this Energy Bureau has considered and granted requests to submit CEII under seal of confidentiality.⁴ For example, in at least two proceedings on Data Security,⁵ and Physical Security,⁶ this Energy Bureau, *sua sponte*, conducted proceedings confidentially, recognizing the need to protect CEII from public disclosure.

Additionally, this Energy Bureau has granted requests by LUMA to protect CEII in connection with LUMA's System Operation Principles. *See* Resolution and Order of May 3, 2021, table 2 on page 4, Case No. NEPR-MI-2021-0001 (granting protection to CEII included in LUMA's Responses to Requests for Information). Similarly, this Energy Bureau granted confidential designation to several portions of LUMA's Initial Budgets and Responses to Requests for Information in the proceedings on LUMA's proposed Initial Budgets and System Remediation Plan.⁷

the vulnerability of critical infrastructure or a protected system, including security testing, risk evaluation thereto, risk management planning, or risk audit; or

⁽C) any planned or past operational problem or solution regarding critical infrastructure or protected systems, including repair, recovery, construction, insurance, or continuity, to the extent it is related to such interference, compromise, or incapacitation.

⁴ See e.g., In re Review of LUMA's System Operation Principles, NEPR-MI-2021-0001 (Resolution and Order of May 3, 2021); In re Review of the Puerto Rico Power Authority's System Remediation Plan, NEPR-MI-2020-0019 (order of April 23, 2021); In re Review of LUMA's Initial Budgets, NEPR-MI-2021-0004 (order of April 21, 2021); In re Implementation of Puerto Rico Electric Power Authority Integrated Resource Plan and Modified Action Plan, NEPR MI 2020-0012 (Resolution of January 7, 2021, granting partial confidential designation of information submitted by PREPA as CEII); In re Optimization Proceeding of Minigrid Transmission and Distribution Investments, NEPR-MI 2020-0016 (where PREPA filed documents under the seal of confidentiality invoking, among others, that a filing included confidential information and CEII); In re Review of the Puerto Rico Electric Power Authority Integrated Resource Plan, CEPR-AP-2018-0001 (Resolution and Order of July 3, 2019, granting confidential designation and PREPA's request that included trade secrets and CEII); but see Resolution and Order of February 12, 2021 (reversing in part, grant of confidential designation).

⁵ In re Review of the Puerto Rico Electric Power Authority Data Security Plan, NEPR-MI-2020-0017.

⁶ In re Review of the Puerto Rico Electric Power Authority Physical Security Plan, NEPR-MI-2020-0018.

⁷ See Resolution and Order of April 22, 2021, on Initial Budgets, table 2 on pages 3-4 and Resolution and Order of April 22, 2021, on Responses to Requests for Information, table 2 at pages 8-10, Case No. NEPR-MI-2021-0004; Resolution and Order of April 23, 2021, on Confidential Designation of Portions of LUMA's System Remediation Plan, table 2 on page 5, and Resolution and Order of May 6, 2021, on Confidential Designation of Portions of LUMA's

On June 30, 2023, this Energy Bureau issued a Resolution and Order granting LUMA's previous requests for confidential treatment of confidential portions of LUMA's Updates to the Stabilization Plan. Also, on July 12, 2023, this Energy Bureau issued a Resolution and Order granting LUMA's requests for confidential treatment of confidential portions of LUMA's Sixteenth Update on Stabilization Plan filed on July 3, 2023. The Energy Bureau should apply those rulings to this filing and protect the pictures in the Twenty-Fourth Update. The pictures depict the exact location, specifications and characteristics of the gensets and other large capacity equipment assembled and installed at Palo Seco, as well as pictures of the San Juan site. Thus, the pictures could be useful to a person planning an attack on the transmission and distribution facilities, as they enable a person to identify their location and provide clear depictions of the equipment which could compromise the electric power services in Puerto Rico.

LUMA respectfully submits that the pictures in the Twenty- Fourth Update should be designated CEII. This designation is a reasonable and necessary measure to protect critical infrastructure and enable LUMA to leverage the information and assessment of critical infrastructures without external threats. Given the importance of ensuring the safe and efficient operation of the generation assets and the T&D System, LUMA respectfully submits that the pictures be maintained confidential to safeguard the facility's integrity and protect it from external threats.

C. Identification of Confidential Information.

In compliance with the Energy Bureau's Policy on Management of Confidential Information, CEPR-MI-2016-0009, below is a table summarizing the hallmarks of this request for confidential treatment.

Responses to Requests for Information on System Remediation Plan, table 2 at pages 7-9, Case No. NEPR-MI-2020-0019.

	Document or file	Pages in which Confidential Information is Found, if applicable	Summary of Legal Basis for Confidentiality Protection, if applicable	Date Filed
1	Generation Stabilization Plan dated October 2, 2023	Pictures on page 4 of Exhibit 1.	Critical Energy Infrastructure Information 18 C.F.R. § 388.113; 6 U.S.C. §§ 671- 674.	November 1 st , 2023

WHEREFORE, LUMA respectfully requests that this Energy Bureau take notice of the aforementioned, accept the Twenty- Fourth Update submitted as *Exhibit 1* to this Motion, deem that LUMA complied with that portion of the October 12th Order that requires submission of bimonthly updated reports on the Stabilization Plan, release LUMA from such requirement and grant the request for confidential treatment that is included in this Motion.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 1st day of November, 2023

I hereby certify that this motion was filed using the electronic filing system of this Energy Bureau. I also certify that copy of this motion will be notified to the Puerto Rico Electric Power Authority, through its attorney of record: jmarrero@diazvaz.law and through attorney Lionel Santa, Lionel.santa@prepa.pr.gov.



DLA Piper (Puerto Rico) LLC

500 Calle de la Tanca, Suite 401 San Juan, PR 00901-1969 Tel. 787-945-9107 Fax 939-697-6147

/s/ Ana Margarita Rodríguez Rivera Ana Margarita Rodríguez Rivera RUA Núm. 16195 ana.rodriguez@us.dlapiper.com

Exhibit I Twenty-Fourth Update on Stabilization Report



Agenda

- I. Executive Summary
- II. Current Status Brief Palo Seco & San Juan Sites
- III. Current Operations / Resource Adequacy

11/1/2023

Executive Summary

Construction at both Palo Seco and San Juan sites have been completed and focus has turned to operations & maintenance.

o The Palo Seco and San Juan generation are scheduled to remain in O&M phase until 3/15/24.

Palo Seco Site (150 MW):

- Seven (7) gensets have averaged 155 MW as of 10/26/23
- Site has maintained >98.5% average Availability
- Regular operations ongoing





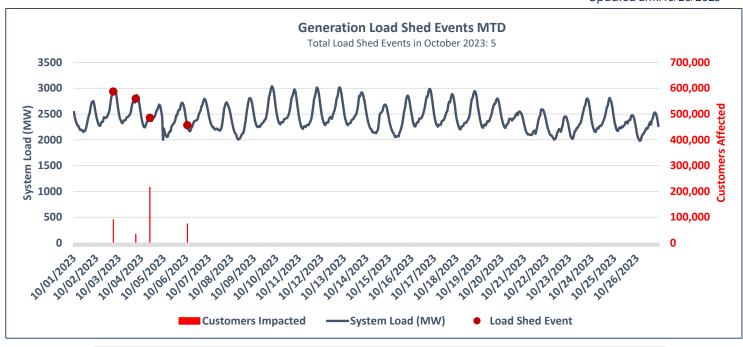
San Juan Site (200 MW):

- Gensets continue to deliver 200 MW of baseload power
- Nine units have collectively operated at >98.9% availability.
- Regular operations ongoing

With no construction activity to report, it is recommended this be the final bi-monthly PREB GSP Report.

Month-to-Date Generation Load Shed Events: 2 of 5 events through October 26th have been due to generation shortfall

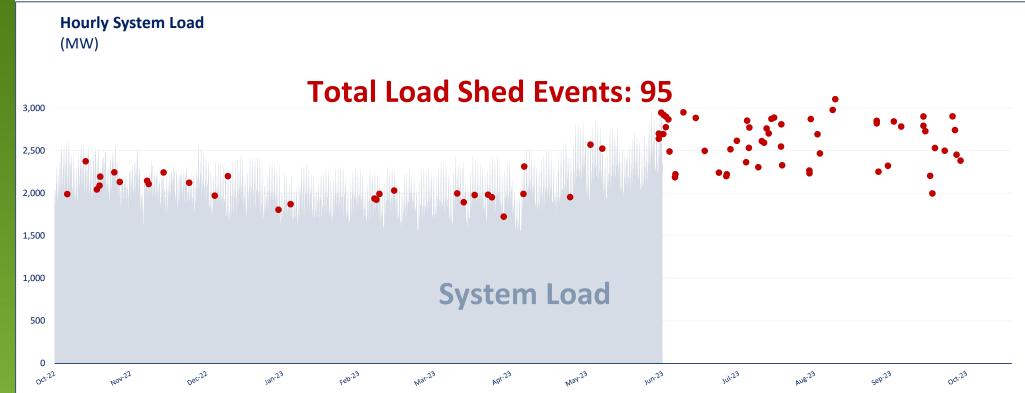




- On 10/04/2023 two load shed events occurred on the same day and are displayed in the graph as a single dot.
- Service interruptions to customers during October were mitigated by the FEMA emergency generation.

MTD (October 1, 2023 – October 26, 2023)	Total Events	Average Customers Affected	Average Duration (min)
Generation Shortfall Events	2	110,026	69
Unit Performance Load Shed Events	3	65,258	8



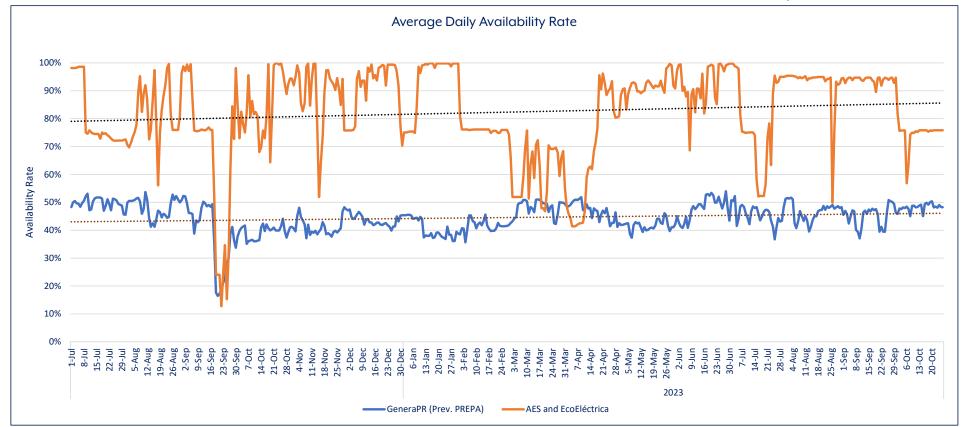


2023 - Year to Date (January 1, 2023 – October 26, 2023)	Total Events	Average Customers Affected	Average Duration (min)
Generation Shortfall Events	25	84,710	148
Unit Performance Load Shed Events	54	99,160	14

2022 - 3 months Post-Fiona (October 1, 2022 - December 31,2022)	Total Events	Average Customers Affected	Average Duration (min)
Generation Shortfall Events	4	139,049	309
Unit Performance Load Shed Events	12	117,046	44

Average Daily Availability

Updated until 10/26/2023

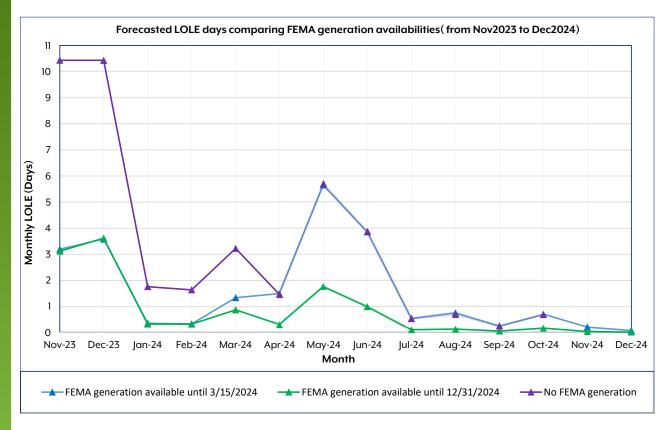


Note: The linear trendlines (dotted straight lines on the graph) smooth-out fluctuations in data to show a pattern or trend more clearly.

- Average availability has improved slightly over the last month.
- Generator trips continue to be a contributing factor for the load shed events.



The FEMA generation has played a significant role in reducing load shed events which will continue as long as they remain in operation



- Analysis includes two cases:
 - FEMA generation until March 15
 - FEMA generation until Dec 31

The FEMA generation avoided an estimated <u>41</u> load shed at peak hours for the 5 months events through October 31st.

The FEMA generation would avoid an additional <u>18</u> load shed events for the next 5 months through March 15th.

The FEMA generation would avoid an additional <u>11</u> load shed events if continued for the nine months through Dec 31st.



Analysis Date: 11/1/2023

