

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

**NEPR**

**Received:**

**Nov 15, 2023**

**6:05 PM**

**IN RE:**

REVIEW OF LUMA’S INITIAL BUDGET

**CASE NO.:** NEPR-MI-2021-0004

**SUBJECT:** Motion to Submit Budget to Actuals  
Report for First Quarter of Fiscal Year 2024

**MOTION TO SUBMIT BUDGET TO ACTUALS REPORT FOR FIRST QUARTER OF  
FISCAL YEAR 2024**

**TO THE HONORABLE PUERTO RICO ENERGY BUREAU:**

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

1. On May 16, 2023, LUMA<sup>2</sup> 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* (“May 16<sup>th</sup> Motion”), 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 its holding company, HoldCo, and its subsidiaries PREPA HydroCo LLC and PREPA PropertyCo LLC.

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<sup>1</sup> 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.

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

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* (“June 25<sup>th</sup> Order”), through which it (1) modified the Proposed Consolidated Fiscal Year 2024 Budget as submitted by LUMA in the May 16<sup>th</sup> Motion; (2) approved the modified budgets subject to compliance with various orders included in the June 25<sup>th</sup> Order; and (3) included a series of determinations and orders addressed to Genera regarding the GenCo Budget. *See*, June 25<sup>th</sup> Order, pp. 16 - 21.

3. Pertinent to this Motion, through the June 25<sup>th</sup> Order, the Energy Bureau ordered Genera to submit the Budget to Actuals report, consisting of the tracking of certified Budget to Actual for GenCo, based on a consolidated template to be provided by the Financial Oversight and Management Board for Puerto Rico, on a quarterly basis. *See*, June 25<sup>th</sup> Order, Attachment I, on page 46.

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 1<sup>st</sup> Motion”). Relevant to the present matter, Genera requested to modify the filing schedule of the Budget to Actuals Reporting from quarterly to within forty-five (45) days after the end of the quarterly reporting period. *See*, September 1<sup>st</sup> Motion, on ¶ 7, page 3.

5. In compliance with the June 25<sup>th</sup> Order and in accordance with the September 1<sup>st</sup> Motion, Genera submits the Budget to Actuals report for the First Quarter of Fiscal Year 2024, attached herewith as Exhibit A.

**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 25<sup>th</sup> Order concerning the Budgets to Actuals Report as outlined in Attachment I of the June 25<sup>th</sup> Order.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 15<sup>th</sup> day of November 2023.

**ECIJA SBGB**  
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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 an electronic copy of this motion will be sent to PREPA through its counsels of record, González & Martínez Law Offices, P.S.C., at Juan M. Martínez Nevárez, at [jmartinez@gmlex.net](mailto:jmartinez@gmlex.net), Alexis G. River Medina, at [arivera@gmlex.net](mailto:arivera@gmlex.net), Joselyn Rodríguez González, at [jrodriguez@gmlex.net](mailto:jrodriguez@gmlex.net), and Mirelis Valle Cancel at [mvalle@gmlex.net](mailto:mvalle@gmlex.net); and to LUMA through its counsel of record,; Margarita Mercado Echegaray, at [margarita.mercado@us.dlapiper.com](mailto:margarita.mercado@us.dlapiper.com); and Ana Margarita Rodríguez Rivera, at [ana.rodriguezrivera@us.dlapiper.com](mailto:ana.rodriguezrivera@us.dlapiper.com) promptly after such filing.

In San Juan, Puerto Rico, this 15<sup>th</sup> day of November 2023.

/s/ Alejandro López-Rodríguez  
Alejandro López-Rodríguez

Exhibit A

Budget to Actuals Report for First Quarter of Fiscal Year 2024

# Financial Oversight & Management Board for Puerto Rico

## Puerto Rico Electric Power Authority

Report Date **11/15/2023**



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### General Text Color Guides

#### Text Colors:

Black	<i>(Intra Sheet) Formulas</i>
Green	<i>Link to another Tab</i>
Blue	<i>Hardcoded figures</i>
Red	<i>Key Assumption</i>

## FY24 Monthly B2A Summary

(\$ millions)

Summary	September-23				YTD			
	Sep-23 Budget	Sep-23 Actual	Sep-23 Variance (\$)	Sep-23 Variance (%)	YTD Certified Budget	YTD Actual	YTD Variance (\$)	YTD Variance (%)
<b>A. Revenue</b>								
Total Gross Revenue	329	-	(329)	(100.0%)	986	-	(986)	(100.0%)
Other Income	16	-	(16)	(100.0%)	47	-	(47)	(100.0%)
Total Unconsolidated Revenue	\$ 344	\$ -	\$ (344)	(100.0%)	\$ 1,033	\$ -	\$ (1,033)	(100.0%)
Bad Debt Expense	(5)	-	5	(100.0%)	(15)	-	15	(100.0%)
CILT & Subsidies	(28)	-	28	(100.0%)	(84)	-	84	(100.0%)
<b>Total Consolidated Revenue</b>	<b>\$ 311</b>	<b>\$ -</b>	<b>\$ (311)</b>	<b>(100.0%)</b>	<b>\$ 934</b>	<b>\$ -</b>	<b>\$ (934)</b>	<b>(100.0%)</b>
<b>B. Expenses</b>								
Fuel & Purchased Power	208	\$ 179	\$ 29	13.9%	\$ 624	\$ 570	\$ 54	8.7%
<b>GenCo:</b>								
GenCo Operating & Maintenance Expenses	31	\$ 20	\$ 11	34.9%	\$ 94	\$ 46	\$ 48	51.1%
<b>Total GenCo Expenses</b>	<b>\$ 31</b>	<b>\$ 20</b>	<b>\$ 11</b>	<b>34.9%</b>	<b>\$ 94</b>	<b>\$ 46</b>	<b>\$ 48</b>	<b>51.1%</b>
<b>HoldCo:</b>								
HoldCo Labor Operating Expenses	1	\$ -	\$ 1	100.0%	\$ 2	\$ -	\$ 2	100.0%
HoldCo Non-Labor / Other Operating Expenses	6	\$ -	\$ 6	100.0%	\$ 19	\$ -	\$ 19	100.0%
Shared Services Agreement	0	\$ -	\$ 0	100.0%	\$ 0	\$ -	\$ 0	100.0%
HoldCo Maintenance Projects Expense	0	\$ -	\$ 0	100.0%	\$ 0	\$ -	\$ 0	100.0%
<b>Total HoldCo Expenses</b>	<b>\$ 7</b>	<b>\$ -</b>	<b>\$ 7</b>	<b>100.0%</b>	<b>\$ 21</b>	<b>\$ -</b>	<b>\$ 21</b>	<b>100.0%</b>
<b>HydroCo:</b>								
HydroCo Labor Operating Expenses	0	\$ -	\$ 0	100.0%	\$ 1	\$ -	\$ 1	100.0%
HydroCo Non-Labor / Other Operating Expenses	0	\$ -	\$ 0	100.0%	\$ 1	\$ -	\$ 1	100.0%
Shared Services Agreement	0	\$ -	\$ 0	100.0%	\$ 0	\$ -	\$ 0	100.0%
HydroCo Maintenance Projects Expense	0	\$ -	\$ 0	100.0%	\$ 1	\$ -	\$ 1	100.0%
<b>Total HydroCo Expenses</b>	<b>\$ 1</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>100.0%</b>	<b>\$ 3</b>	<b>\$ -</b>	<b>\$ 3</b>	<b>100.0%</b>
<b>GridCo:</b>								
GridCo Operating & Maintenance Expenses	57	\$ -	\$ 57	100.0%	\$ 169	\$ -	\$ 169	100.0%
<b>Total Expenses</b>	<b>\$ 304</b>	<b>\$ 200</b>	<b>\$ 105</b>	<b>34.43%</b>	<b>\$ 912</b>	<b>\$ 616</b>	<b>\$ 296</b>	<b>32.42%</b>
<b>C. Net Balance</b>	<b>\$ 7</b>	<b>\$ (200)</b>	<b>\$ 207</b>	<b>2891.53%</b>	<b>\$ 23</b>	<b>\$ (616)</b>	<b>\$ (639)</b>	<b>-2814.01%</b>

FY24 Monthly Revenues

(\$ millions)																								
Revenues					July-23				August-23				September-23				YTD				YTD			
					Jul-23 Budget	Jul-23 Actual	Jul-23 Variance (\$)	Jul-23 Variance (%)	Aug-23 Budget	Aug-23 Actual	Aug-23 Variance (\$)	Aug-23 Variance (%)	Sep-23 Budget	Sep-23 Actual	Sep-23 Variance (\$)	Sep-23 Variance (%)	YTD Certified Budget	YTD Actual	YTD Variance (\$)	YTD Variance (%)	YTD Certified Budget	YTD Actual	YTD Variance (\$)	YTD Variance (%)
<b>Basic Revenue</b>																								
1	Residential				31		(31)	(100.0%)	31		(31)	(100.0%)	31		(31)	(100.0%)	93	-	(93)	(100.0%)	93	-	(93)	(100.0%)
2	Commercial				47		(47)	(100.0%)	47		(47)	(100.0%)	47		(47)	(100.0%)	142	-	(142)	(100.0%)	142	-	(142)	(100.0%)
3	Industrial				9		(9)	(100.0%)	9		(9)	(100.0%)	9		(9)	(100.0%)	26	-	(26)	(100.0%)	26	-	(26)	(100.0%)
4	Public Lighting				5		(5)	(100.0%)	5		(5)	(100.0%)	5		(5)	(100.0%)	15	-	(15)	(100.0%)	15	-	(15)	(100.0%)
5	Agricultural				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	0	-	(0)	(100.0%)	0	-	(0)	(100.0%)
6	Others				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	1	-	(1)	(100.0%)	1	-	(1)	(100.0%)
<b>Total Basic Revenue</b>					93	-	(93)	(100.0%)	93	-	(93)	(100.0%)	93	-	(93)	(100.0%)	278	-	(278)	(100.0%)	278	-	(278)	(100.0%)
<b>Fuel &amp; Purchased Power</b>																								
7	Residential				83		(83)	(100.0%)	83		(83)	(100.0%)	83		(83)	(100.0%)	249	-	(249)	(100.0%)	249	-	(249)	(100.0%)
8	Commercial				96		(96)	(100.0%)	96		(96)	(100.0%)	96		(96)	(100.0%)	288	-	(288)	(100.0%)	288	-	(288)	(100.0%)
9	Industrial				25		(25)	(100.0%)	25		(25)	(100.0%)	25		(25)	(100.0%)	75	-	(75)	(100.0%)	75	-	(75)	(100.0%)
10	Public Lighting				3		(3)	(100.0%)	3		(3)	(100.0%)	3		(3)	(100.0%)	10	-	(10)	(100.0%)	10	-	(10)	(100.0%)
11	Agricultural				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	1	-	(1)	(100.0%)	1	-	(1)	(100.0%)
12	Others				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	1	-	(1)	(100.0%)	1	-	(1)	(100.0%)
<b>Total Purchased Power</b>					208	-	(208)	(100.0%)	208	-	(208)	(100.0%)	208	-	(208)	(100.0%)	624	-	(624)	(100.0%)	624	-	(624)	(100.0%)
<b>CILT</b>																								
13	Residential				3		(3)	(100.0%)	3		(3)	(100.0%)	3		(3)	(100.0%)	10	-	(10)	(100.0%)	10	-	(10)	(100.0%)
14	Commercial				4		(4)	(100.0%)	4		(4)	(100.0%)	4		(4)	(100.0%)	11	-	(11)	(100.0%)	11	-	(11)	(100.0%)
15	Industrial				1		(1)	(100.0%)	1		(1)	(100.0%)	1		(1)	(100.0%)	3	-	(3)	(100.0%)	3	-	(3)	(100.0%)
16	Public Lighting				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	0	-	(0)	(100.0%)	0	-	(0)	(100.0%)
17	Agricultural				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	0	-	(0)	(100.0%)	0	-	(0)	(100.0%)
18	Others				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	0	-	(0)	(100.0%)	0	-	(0)	(100.0%)
<b>Total CILT</b>					8	-	(8)	(100.0%)	8	-	(8)	(100.0%)	8	-	(8)	(100.0%)	25	-	(25)	(100.0%)	25	-	(25)	(100.0%)
<b>Subsidies</b>																								
19	Residential				7		(7)	(100.0%)	7		(7)	(100.0%)	7		(7)	(100.0%)	21	-	(21)	(100.0%)	21	-	(21)	(100.0%)
20	Commercial				8		(8)	(100.0%)	8		(8)	(100.0%)	8		(8)	(100.0%)	25	-	(25)	(100.0%)	25	-	(25)	(100.0%)
21	Industrial				2		(2)	(100.0%)	2		(2)	(100.0%)	2		(2)	(100.0%)	6	-	(6)	(100.0%)	6	-	(6)	(100.0%)
22	Public Lighting				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	1	-	(1)	(100.0%)	1	-	(1)	(100.0%)
23	Agricultural				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	0	-	(0)	(100.0%)	0	-	(0)	(100.0%)
24	Others				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	0	-	(0)	(100.0%)	0	-	(0)	(100.0%)
<b>Total Subsidies</b>					18	-	(18)	(100.0%)	18	-	(18)	(100.0%)	18	-	(18)	(100.0%)	54	-	(54)	(100.0%)	54	-	(54)	(100.0%)
<b>Energy Efficiency</b>																								
25	Residential				1		(1)	(100.0%)	1		(1)	(100.0%)	1		(1)	(100.0%)	2	-	(2)	(100.0%)	2	-	(2)	(100.0%)
26	Commercial				1		(1)	(100.0%)	1		(1)	(100.0%)	1		(1)	(100.0%)	2	-	(2)	(100.0%)	2	-	(2)	(100.0%)
27	Industrial				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	1	-	(1)	(100.0%)	1	-	(1)	(100.0%)
28	Public Lighting				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	0	-	(0)	(100.0%)	0	-	(0)	(100.0%)
29	Agricultural				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	0	-	(0)	(100.0%)	0	-	(0)	(100.0%)
30	Others				0		(0)	(100.0%)	0		(0)	(100.0%)	0		(0)	(100.0%)	0	-	(0)	(100.0%)	0	-	(0)	(100.0%)
<b>Total Energy Efficiency</b>					2	-	(2)	(100.0%)	2	-	(2)	(100.0%)	2	-	(2)	(100.0%)	5	-	(5)	(100.0%)	5	-	(5)	(100.0%)
<b>Total Revenue</b>																								
<b>Total Gross Revenue</b>					329	-	(329)	(100.0%)	329	-	(329)	(100.0%)	329	-	(329)	(100.0%)	986	-	(986)	(100.0%)	986	-	(986)	(100.0%)
31	Other Income				16		(16)	(100.0%)	16		(16)	(100.0%)	16		(16)	(100.0%)	47	-	(47)	(100.0%)	47	-	(47)	(100.0%)
<b>Total Unconsolidated Revenue</b>					\$ 344	\$ -	\$ (344)	(100.0%)	\$ 344	\$ -	\$ (344)	(100.0%)	\$ 344	\$ -	\$ (344)	(100.0%)	\$ 1,033	\$ -	\$ (1,033)	(100.0%)	\$ 1,033	\$ -	\$ (1,033)	(100.0%)
32	Bad Debt Expense				(5)		5	(100.0%)	(5)		5	(100.0%)	(5)		5	(100.0%)	(15)	-	15	(100.0%)	(15)	-	15	(100.0%)
33	CILT & Subsidies				(28)		28	(100.0%)	(28)		28	(100.0%)	(28)		28	(100.0%)	(84)	-	84	(100.0%)	(84)	-	84	(100.0%)
<b>Total Consolidated Revenue</b>					\$ 311	\$ -	\$ (311)	(100.0%)	\$ 311	\$ -	\$ (311)	(100.0%)	\$ 311	\$ -	\$ (311)	(100.0%)	\$ 934	\$ -	\$ (934)	(100.0%)	\$ 934	\$ -	\$ (934)	(100.0%)
<i>Check</i>					-				-				-				-				-			



## FY24 Monthly Expenses

(\$ millions)

(\$ millions)		July-23				August-23				September-23						YTD	
Expenses		Jul-23 Budget	Jul-23 Actual	Jul-23 Variance (\$)	Jul-23 Variance (%)	Aug-23 Budget	Aug-23 Actual	Aug-23 Variance (\$)	Aug-23 Variance (%)	Sep-23 Budget	Sep-23 Actual	Sep-23 Variance (\$)	Sep-23 Variance (%)	YTD Certified Budget	YTD Actual	YTD Variance (\$)	YTD Variance (%)
<b>A. Fuel and Purchased Power</b>																	
34	Fuel	160	203	(43)	(26.8%)	160	188	(28)	(17.5%)	160	179	(19)	(11.9%)	480	570	(90)	(18.8%)
35	Purchased Power - Conventional Power	40	40	0	100.0%	40	40	0	100.0%	40	40	0	100.0%	120	-	120	100.0%
36	Purchased Power - Renewable Power	8	8	0	100.0%	8	8	0	100.0%	8	8	0	100.0%	24	-	24	100.0%
Total Fuel and Purchased Power		\$ 208	\$ 203	\$ 5	2.5%	\$ 208	\$ 188	\$ 20	9.6%	\$ 208	\$ 179	\$ 29	13.9%	624	\$ 570	\$ 54	8.7%
<b>B. GenCo - Operations &amp; Maintenance Expenses</b>																	
<b>Labor</b>																	
37	Genco Labor Operating Expenses	5	3	1	30.5%	5	4	0	7.3%	5	4	0	8.6%	14	12	2	15.5%
38	Genco Non-Labor / Other Operating Expenses	6	2	4	67.8%	6	3	3	43.2%	6	7	(1)	(17.8%)	18	12	6	31.1%
39	Shared Services Agreement Impact	5	5	0	5.5%	5	4	1	22.1%	5	6	(1)	(17.5%)	16	15	1	3.4%
40	Operator Service Fees	4	2	3	57.2%	4	2	3	57.2%	4	2	3	57.2%	13	6	8	57.2%
41	Maintenance Projects Expenses	11	-	11	100.0%	11	-	11	100.0%	11	1	10	89.9%	34	1	32	96.6%
Total Genco Labor Operating Expenses		\$ 31	\$ 12	\$ 19	61.8%	\$ 31	\$ 14	\$ 18	56.5%	\$ 31	\$ 20	\$ 11	34.9%	94	\$ 46	\$ 48	51.1%
<b>C. HoldCo (PropertyCo) - Operating &amp; Maintenance Expenses</b>																	
<b>Labor</b>																	
42	Salaries & Wages	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%	1	-	1	100.0%
43	Pension & Benefits	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	1	-	1	100.0%
44	Overtime Pay	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
45	Overtime Benefits	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
Total Non-Labor/Other Operating Expense		1	\$ -	\$ 1	100.0%	\$ 1	\$ -	\$ 1	100.0%	\$ 1	\$ -	\$ 1	100.0%	2	\$ -	\$ 2	100.0%
<b>Non-Labor / Other Operating Expenses</b>																	
46	Materials & Supplies	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%
47	Transportation, Per Diem, and Mileage	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
48	Retiree Medical Benefits	1	1	0	100.0%	1	1	0	100.0%	1	1	0	100.0%	2	-	2	100.0%
49	Security	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
50	Utilities & Rents	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
51	Legal Services	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
52	Communications Expenses	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
53	Professional & Technical Outsourced Services	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
54	Regulation and Environmental Inspection	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
55	External Audit Services	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
56	Equipment, Inspections, Repairs & Other	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
57	PREPA Restructuring & Title III	3	3	0	100.0%	3	3	0	100.0%	3	3	0	100.0%	8	-	8	100.0%
58	FOMB Advisor Costs allocated to PREPA	3	3	0	100.0%	3	3	0	100.0%	3	3	0	100.0%	8	-	8	100.0%
Total HoldCo Non-Labor / Other Operation Expenses		6	\$ -	\$ 6	100.0%	\$ 6	\$ -	\$ 6	100.0%	\$ 6	\$ -	\$ 6	100.0%	19	\$ -	\$ 19	100.0%
59	Shared Service Agreement	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%
60	Maintenance Projects Expenses	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
Total HoldCo Operating & Maintenance Expenses		7	\$ -	\$ 7	100.0%	\$ 7	\$ -	\$ 7	100.0%	\$ 7	\$ -	\$ 7	100.0%	21	\$ -	\$ 21	100.0%
<b>D. HydroCo - Operating &amp; Maintenance Expenses</b>																	
61	Salaries & Wages	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%	1	-	1	100.0%
62	Pension & Benefits	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
63	Overtime Pay	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
64	Overtime Benefits	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
Total HydroCo Labor Operating Expenses		\$ 0	\$ -	\$ 0	100.0%	\$ 0	\$ -	\$ 0	100.0%	\$ 0	\$ -	\$ 0	100.0%	1	\$ -	\$ 1	100.0%
<b>Non-Labor / Other Operating Expenses</b>																	
65	Materials & Supplies	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%
66	Transportation, Per Diem, and Mileage	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
67	Security	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
68	Utilities & Rents	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
69	Professional & Technical Outsourced Services	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
70	Regulation and Environmental Inspection	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
71	Equipment, Inspections, Repairs & Other	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	0	-	0	100.0%
Total HydroCo Non-Labor / Other Operating Expenses		\$ 0	\$ -	\$ 0	100.0%	\$ 0	\$ -	\$ 0	100.0%	\$ 0	\$ -	\$ 0	100.0%	1	\$ -	\$ 1	100.0%
72	Shared Services Agreement	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%	0	-	0	100.0%
73	Maintenance Projects Expenses	0	0	0	100.0%	0	0	0	100.0%	0	0	0	100.0%	1	-	1	100.0%
Total HydroCo Operating & Maintenance Expenses		\$ 1	\$ -	\$ 1	100.0%	\$ 1	\$ -	\$ 1	100.0%	\$ 1	\$ -	\$ 1	100.0%	3	\$ -	\$ 3	100.0%
<b>E. GridCo - Operating &amp; Maintenance Expenses</b>																	
74	GridCo Labor Operating Expenses	18	-	18	100.0%	18	-	18	100.0%	19	-	19	100.0%	55	-	55	100.0%
75	GridCo Non-Labor / Other Operating Expenses	23	23	0	100.0%	23	23	0	100.0%	23	23	0	100.0%	70	-	70	100.0%
76	Operator Service Fees	11	11	0	100.0%	11	11	0	100.0%	11	11	0	100.0%	32	-	32	100.0%
77	2% Reserve	1	1	0	100.0%	1	1	0	100.0%	1	1	0	100.0%	3	-	3	100.0%
78	Maintenance Projects Expenses	3	3	0	100.0%	3	3	0	100.0%	3	3	0	100.0%	9	-	9	100.0%
Total GridCo Operating & Maintenance Expenses		\$ 56	\$ -	\$ 56	100.0%	\$ 56	\$ -	\$ 56	100.0%	\$ 57	\$ -	\$ 57	100.0%	169	\$ -	\$ 169	100.0%
Total Operating & Maintenance Expenses		\$ 303	\$ 215	\$ 88	29.14%	\$ 304	\$ 202	\$ 102	33.59%	\$ 304	\$ 200	\$ 105	34.43%	912	\$ 616	\$ 296	32.42%

2,826

**Puerto Rico Electric Power Authority**  
**Variance Detail**  
**FISCAL YEAR 2024**  
**11/15/2023**

**Variance #1**  
**FOMB Category:**  
**Account:**

Expenses	Budget YTD	Actual YTD	Variance (\$)	Budget Horizontal Variance YTD (%)
Maintenance Projects Expenses	\$ 34	\$ 1	\$ 32	96.64%

**Variance Explanation**

GenCo is ramping up the projects and gathering all required paper work to commence the actual procurement of those NME projects approved. In future months we shall see an exponential increase in the use of these funds.

**Root Cause**

In process of preparing required documents.

**Corrective Action**

Continue the use of funds for projects.

**Variance #2**  
**FOMB Category:**  
**Account:**

Expenses	Budget YTD	Actual YTD	Variance (\$)	Budget Horizontal Variance YTD (%)
Fuel	\$ 480	\$ 570	\$ (90)	-18.76%

**Variance Explanation**

1. Higher demand than projected
2. Fuel substitution- primarily driven by use of diesel in peaking units to provide for the loss of generation from based load units (gas and fuel oil)
3. Increase in fuel prices- especially in diesel fuel vs projected.

**Root Cause**

1. Higher demand than projected
2. Fuel substitution- primarily driven by use of diesel in peaking units to provide for the loss of generation from based load units (gas and fuel oil)
3. Increase in fuel prices- especially in diesel fuel vs projected.

**Corrective Action**

1. Demand forecasts need to be more accurate. Nevertheless, these forecasts are done by the T&D System Operator, not GenCo. Thus, GenCo does not have control over demand forecasting and associated activities.
2. Improve the generation fleet performance with preventive and corrective maintenance and adding new generation and ancillary services to the grid. This will be achieved when the peakers and BESS are integrated to the system and when the critical component replacement program is completed.
3. Fuel costs are market driven. Further, fuel usage, which affect costs depending on which fuel is actually used, is dependent on units dispatch, which is controlled by the T&D System Operator, not GenCo. Further, implementing the corrective actions mentioned in item two, as well as the actions proposed by GenCo in the Fuel Optimization Plan, will help mitigate these costs fluctuations.