

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

NEPR

Received:

Nov 22, 2023

10:57 PM

IN RE:

**IN RE: REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY'S 10-
YEAR INFRASTRUCTURE PLAN-
DECEMBER 2020**

CASE NO. NEPR-MI-2021-0002

**SUBJECT: Motion Submitting Responses to
November 8, 2023 Resolution and Order**

**MOTION SUBMITTING RESPONSES TO
NOVEMBER 8, 2023, RESOLUTION AND ORDER**

TO THE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC¹, and LUMA Energy ServCo, LLC², (jointly referred to as “LUMA”), through the undersigned legal counsel, respectfully submits the following:

1. On March 26, 2021, this Honorable Puerto Rico Energy Bureau (“Energy Bureau”) issued a Resolution and Order in the instant proceeding, ordering, in pertinent part, that the Puerto Rico Electric Power Authority (“PREPA”) submit to the Energy Bureau the specific transmission and distribution projects (“T&D Projects” or “Projects”) to be funded with Federal Emergency Management Agency (“FEMA”) funds or any other federal funds at least thirty (30) calendar days prior to submitting these Projects to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency (“COR3”), FEMA or any other federal agency (“March 26th Order”). It also directed PREPA to continue reporting to the Energy Bureau and FEMA, within the next five years, the progress of all ongoing efforts related to the approval of the submitted Projects not yet approved

¹ Register No. 439372.

² Register No. 439373.

by the Energy Bureau. This Energy Bureau thereafter determined that this directive applied to PREPA and LUMA. *See* Resolution and Order of August 20, 2021.

2. In compliance with the March 26th Order, LUMA has submitted to this Energy Bureau several Transmission and Distribution projects (“T&D Projects”) on the following dates: July 8, 2021 (twenty-eight (28) Scopes of Work and an itemized list of T&D Projects); August 30, 2021 (twenty-nine (29) SOWs and an updated list of T&D Projects); October 4, 2021 (thirty-eight (38) SOWs and an updated list of T&D Projects); February 2, 2022 (three (3) SOWs and an updated list of T&D Projects); May 20, 2022 (one (1) SOW and an updated list of T&D Projects), July 29, 2022 (four (4) SOWs and an updated list of T&D projects); August 10, 2022 (two (2) SOWs and an updated list of T&D projects); November 11, 2022 (sixty (60) SOWs and an updated list of T&D projects); November 16, 2022 (one (1) SOW and an updated list of T&D Projects); January 30, 2023 (one (1) SOW and an updated list of T&D projects); March 29, 2023 (two (2) SOWs and an updated list of T&D projects); April 24, 2023 (one (1) SOW), April 27, 2023 (three (3) SOWs), August 25, 2023 (one (1) SOW); and November 7, 2023 (one (1) SOW). The Energy Bureau has approved all of the T&D Project SOWs submitted by LUMA as of August 25, 2023.

3. As part of the submissions of the T&D Projects, LUMA has provided the Energy Bureau with an updated Project List, containing a current list of the total initial SOWs submitted to the Energy Bureau, a list of authorized projects by the Energy Bureau with assigned FEMA Accelerated Awards Strategy (“FAAST”) numbers and a list of projects with approved FEMA funding obligations.

4. Relatedly, in compliance with the different Resolution and Orders issued by the Energy Bureau with the approval of each T&D Project, LUMA has also submitted several motions

before the Energy Bureau after FEMA has approved funding obligations for each project within ten (10) days of such approval. Accordingly, each submission has included the FEMA cost obligation document as an exhibit for each of the T&D Projects. The FEMA cost obligation document encompasses information on the final scope of the T&D Project, the cost of the T&D Project, and the federal share obligated for the T&D Project cost.

5. Moreover, pursuant to the continued reporting requirements set forth in the March 26th Order, and in accordance with LUMA's Motion of July 15, 2021,³ and PREPA's and LUMA's Motion of September 21, 2021⁴, LUMA has submitted updates to the PREPA-LUMA 90-Day Plan for T&D Projects on September 21, 2021, December 21, 2021, March 18, 2022, June 17, 2022, September 16, 2022, December 21, 2022, March 23, 2023, June 20, 2023, and September 14, 2023. The PREPA-LUMA 90-Day Plan updates the status of the T&D Projects and summarizes key next steps for the upcoming 90 days.

6. Further, in alignment with the quarterly reporting requirements in Case NEPR-MI-2021-0004, LUMA has filed Quarterly Federal Funding Reports with an update on federal funding activities for each quarter on November 15, 2021, February 15, 2022, May 16, 2022, September 7, 2022, November 14, 2022, February 14, 2023, May 15, 2023, August 14, 2023, and November 14, 2023. The Federal Funding Reports detail the status of Federally-Funded Transmission and

³ This refers to the *Motion Submitting the Corrected LUMA Presentation at the Technical Conference of July 11, 2021, and Requesting Approvals of Matters Presented and Proposed during the Technical Conference* filed by LUMA on July 15, 2021 ("July 15th Motion") wherein LUMA proposed, among others, that reporting in this docket be done quarterly and that updates to the 90-Day Plan in relation to the 10-Year Infrastructure Plan be provided to the Energy Bureau during the last month of every quarter as it is provided to FEMA. *See* the July 15th Motion on pp. 8-9.

⁵ This refers to the *Motion Submitting September 2021 Update to PREPA-LUMA 90-Day Plan* jointly filed by LUMA and PREPA on September 21, 2021 ("LUMA September 21 Motion") wherein LUMA and PREPA informed that going forward; they would continue to file the PREPA-LUMA 90-Day Plans, instead of 90-Day updates of the 10-Year Infrastructure Plan given that FEMA only required the 90-Day Plans. *See* September 21 Motion on p. 4.

Distribution Projects as of the end of each quarter, including the number of projects and estimated costs, as well as the status of funding sources obligated by FEMA.

7. On November 8, 2023, the Energy Bureau issued a Resolution and Order (“November 8th Order”) whereby it ordered LUMA to provide a list with the status of all the projects approved by FEMA and/or COR3, including:

- i. Projects under design and engineering phase;
- ii. Projects in procurement process (RFPs ongoing);
- iii. Projects awarded for construction;
- iv. Projects construction completed;
- v. Percentage of completion and estimated dates of completion for items #1, #2, #3, #4; and
- vi. Final Cost (\$) for each of the projects.

See November 8th Order at p. 2.

8. In compliance with the November 8th Order, LUMA hereby submits its response to the aforementioned requests for information as *Exhibit 1*. It consists of an executive summary, attached directly to this motion, and two (2) Excel sheets to be submitted by email. The first Excel sheet, Attachment 1, contains information responsive to items i, iii, iv, v, and vi. The second Excel sheet, Attachment 2, contains information in response to item ii.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned; **accept** LUMA’s responses contained in *Exhibit 1*, including two (2) Excel sheets to be emailed separately; and **deem** LUMA in compliance with the November 8th Order.

RESPECTFULLY SUBMITTED.

We hereby certify that we filed this motion using the electronic filing system of this Energy Bureau. We will send an electronic copy of this motion to PREPA's General Counsel, Lionel Santa, lionel.santa@prepa.pr.gov, and to Genera PR LLC, through its counsel of record, Jorge Fernández-Reboredo, jfr@sbgblaw.com and Alejandro López Rodríguez, alopez@sbgblaw.com

In San Juan, Puerto Rico, on this 22nd day of November 2023.



DLA Piper (Puerto Rico) LLC

500 Calle de la Tanca, Suite 401
San Juan, PR 00901-1969
Tel. 787-945-9132
Fax 939-697-6102

/s/ Margarita Mercado Echegaray
Margarita Mercado Echegaray
RUA NÚM. 16, 266
margarita.mercado@us.dlapiper.com

/s/ Yahaira De la Rosa Algarín
Yahaira De la Rosa Algarín
RUA NÚM. 18,061
yahaira.delarosa@us.dlapiper.com

/s/ Julián R. Anglada Pagán
Julián R. Anglada Pagán
RUA NÚM. 22,142
julian.angladapagan@us.dlapiper.com

Exhibit 1

Responses to November 8th Order

Excel spreadsheets to be submitted via email



LUMA's Approved SOWs

NEPR-MI-2021-0002

Responses to November 8, 2023 Requests

November 24, 2023

Executive Summary

On June 1, 2021, LUMA assumed overall responsibility for the Puerto Rico Electric Power Authority's (PREPA) Transmission and Distribution System (T&D System) as specified in the Transmission and Distribution Operating and Maintenance Agreement (T&D OMA) between PREPA, Puerto Rico Public-Private Partnerships Authority (P3A), and LUMA. Upon commencement of operations, projects funded by the Federal Emergency Management Agency (FEMA) in the transmission, distribution, substations, IT/telecom, buildings, and environmental asset categories (T&D Projects) were transitioned to and are now the responsibility of LUMA.

When LUMA began operations, PREPA had **only 41 projects with Initial Scopes of Work (ISOW) to be submitted to FEMA to rebuild the T&D System,¹ only one project had a Detailed Scope of Work (DSOW), and zero projects in construction.** Since commencement and through the first quarter of fiscal year 2024 (September 30, 2024), **LUMA has initiated 400 ISOWs with the Central Office for Recovery, Reconstruction and Resilience (COR3) and FEMA representing an estimated \$11.1 billion in reconstruction activities that LUMA is advancing.** This historic pace for FEMA submissions includes transformational projects like Advance Metering Infrastructure (AMI), distribution automation and the island-wide vegetation clearing.

Furthermore, **LUMA has developed and submitted 248 DSOWs to COR3 and FEMA for approval representing an estimated \$8.4 billion. Of those DSOWs, LUMA has received FEMA approval for 122 projects for an estimated \$613 million in project costs and an additional \$92 million in architecture and engineering (A&E) costs.** Moreover, **there are currently 100 projects under construction representing more than \$500 million, including five approved projects that have been constructed and energized².** In order to execute and support A&E and construction activities, LUMA has issued numerous Requests for Proposals (RFPs) and Invitations to Tender (ITTs). Given that obligated projects often use related resources and materials, the competitive procurement processes often support multiple projects.

In line with LUMA's plan to rebuild, transform, and modernize the energy grid, we continue to engage with COR3 and FEMA as well as our grid recovery partners on additional federal funding opportunities, including the Department of Energy (DOE), United States Department of Urban and Housing Development (HUD), the Puerto Rico Department of Housing (PRDOH) Community Block Grant Disaster Recovery (CBDG-DR) programs for hazard mitigation and grid resilience, and FEMA 406 hazard mitigation (406HMP) as well as FEMA Section 404 hazard mitigation. **LUMA remains committed to pursuing all possible federal funding from all potential sources to maximize available funds and efficiently execute proposed projects.** To continue our historic progress, and to ensure the transformation of the electric system across Puerto Rico, LUMA is committed to maintaining productive working relationships with COR3 and FEMA in order to further advance projects into the DSOW stage while simultaneously obtaining additional FEMA approvals. In addition, more RFPs will be issued to support future obligated projects. We expect the FEMA-funded projects directed by LUMA to become the largest capital energy program in Puerto Rico's history, as well as the largest ever funded by the U.S. federal government to repair and rebuild an electric system across any state or territory.

¹ See In Re: The Performance of the Puerto Rico Electric Power Authority, Docket No. NEPR-MI-2019-0007.

² The term "energized" is to be considered as such time from which the asset is operating as part of the T&D System.

KEY MEASURES OF PROGRESS

As noted above, since assuming operations on June 1, 2021, LUMA has made significant progress in moving forward with FEMA and federally funded projects, including:

- Initiated 400 ISOWs with COR3/FEMA representing an estimated \$11.1 billion in reconstruction activities.
- Developed and submitted 248 DSOWs to COR3/FEMA for approval representing an estimated \$8.4 billion.
- Of the 248 DSOWs, LUMA has received FEMA approval for 122 projects for an estimated \$613 million in project costs and an additional \$92 million in A&E costs.
- Started construction on 100 projects.
- Constructed and energized five FEMA approved projects.

List of Responses and Attachments

Response ID	Document Type	Response Subject
ROI-LUMA-MI-2021-0002-20231108-PREB-001	Response in PDF	FEMA Approved Projects
ROI-LUMA-MI-2021-0002-20231108-PREB-001_Attachment 1	Attachment in Excel	FEMA Approved Projects
ROI-LUMA-MI-2021-0002-20231108-PREB-001_Attachment 2	Attachment in Excel	FEMA Approved Projects

LUMA's Response

LUMA's Approved SOWs

NEPR-MI-2021-0002

Response: ROI-LUMA-MI-2021-0002-20231108-PREB-001

SUBJECT

FEMA -Approved Projects

REQUEST

The Energy Bureau ORDERS LUMA AND GENERA to within fifteen (15) days from the date of the notification of this Resolution and Order to submit to the Energy Bureau:

A list with the status of all the projects approved by FEMA and/or COR3 that includes:

1. Projects under design and engineering phase.
2. Projects in procurement process (RFPs ongoing).
3. Projects awarded for construction.
4. Projects construction completed.
5. Percentage of completion and estimated dates of completion for the items #1, #2, #3 and #4 above.
6. Final Cost (\$) for each of the projects.

RESPONSE

Please refer to ROI-LUMA-MI-2021-0002-20231108-PREB-001_Attachment 1 for a list of federally funded approved projects under LUMA's responsibility, including the project phase, construction status, estimated dates of completion, and final cost for each project as requested. For a detailed explanation of each column, refer to the table below.

LUMA's Response

Column	Explanation
Column B	Project FAASt number: FEMA FAASt number assigned to each project
Column C	Title: FEMA project name
Column D	Initial Date Obligated
Column E	Final Cost Estimate (\$ in millions): total amount obligated by FEMA including the A&E portion
Column F	Project Phase: the phase that each FEMA approved project is in currently <ul style="list-style-type: none"> • Detailed engineering – The project is in the design phase. Construction has not started. • Construction/execution – Construction has started and is ongoing. • Energized/Closeout – The asset is operating as part of the T&D system, but the project is still in closeout.
Column G	Construction Status: the percentage of construction complete
Column H	Estimated Construction Start: LUMA expected date to start construction
Column I	Estimated Construction Completion: LUMA expected date to complete construction

Please refer to ROI-LUMA-MI-2021-0002-20231108-PREB-001_Attachment 2 for the full list of Requests for Proposals (RFPs) associated with FEMA-approved projects. The list includes a column with the status for each of the RFPs as requested. Please note, because many obligated projects use related materials and resources (e.g., poles or engineering services), one competitive procurement often supports multiple obligated projects. For this reason, we have provided a list of the RFPs and Invitations to Tender (ITTs) that LUMA have issued which have supported overall FEMA-funded efforts, including the obligated projects listed in this response.