

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

NEPR

Received:

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IN RE:
LUMA'S RESPONSE TO HURRICANE
FIONA

CASE NO. NEPR-MI-2022-0003

**SUBJECT: Report on Puerto Rico's Path to
Stabilization and Request for Extension to File
Update to the Report**

**MOTION SUBMITTING FIRST DECOMMISSIONING REPORT IN COMPLIANCE
WITH RESOLUTION AND ORDER DATED NOVEMBER 14, 2023 AND REQUEST
FOR EXTENSION TO FILE UPDATE TO THE REPORT**

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:

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

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

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.

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.

6. 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.

7. On December 1st, 2022, LUMA submitted the Third Update on the Stabilization Plan. LUMA thereafter submitted bi-weekly updates on the progress of the Generation

Stabilization Plan. The most recent of these updates was submitted on November 1st, 2023, and constituted the final update in compliance with the Energy Bureau's October 12th Order.

8. Specifically, 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 (Twentieth Update), September 15, 2023 (Twenty-First Update), October 2nd, 2023 (Twenty-Second Update), October 16, 2023 (Twenty-Third Update) and November 1, 2023.

9. 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.

10. As per 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.

11. 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 request that the Energy Bureau deem that it had fully complied with the October 12th Order and to release it from the requirement to file further updates to the Stabilization Plan.

12. Consistent with the foregoing, on November 1, 2023, LUMA submitted its Twenty-Fourth and final update to the Generation Stabilization Plan. As informed in that submission, the emergency generation resources installed at the San Juan and Palo Seco sites maintained a regular operation and averaged a total combined baseload capacity of 355 MW during the period of 15 days following the Twenty-Third Update.

13. Consequently, LUMA requested that the Energy Bureau release it from the requirement to file bi-weekly updates on the Generation Stabilization Report.

14. As explained by LUMA, 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. On November 14th, 2023, the Energy Bureau entered a Resolution and Order that, in its pertinent part, releases LUMA from filing additional bi-weekly reports to the Stabilization Plan. The Energy Bureau nonetheless required LUMA to inform of "any work conducting to the decommission of the 350MW emergency generation resources which shall trigger LUMA to resume the Bi-Weekly reporting requirement." *See*, November 14th Order at page 1.

16. In compliance with the November 14th Order, LUMA hereby submits as *Exhibit 1*, its first Demobilization Report. As explained therein, FEMA is tasked with developing a plan for

demobilizing the emergency generators by March 15, 2024 as per the Rapid Disaster Infrastructure contract. Demobilization planning meetings that LUMA joined on November 21, 2023, are being with the purpose of coordinating the demobilization by the established date.

17. LUMA respectfully requests that this Energy Bureau take notice of the aforementioned, accept the First Demobilization Report submitted as *Exhibit 1* to this Motion, and deem that LUMA complied with that portion of the November 14th Order that requires submission of bi-weekly reports on decommissioning of the emergency generation resources.

18. It is further respectfully requested that this Energy Bureau release LUMA from the requirement to file an Update to the Demobilization Report on January 2, 2024, in consideration of the upcoming Christmas and New Year's holidays observed in Puerto Rico which limit the available time for the parties involved to meet. Therefore, LUMA does not foresee major developments during that period. Although LUMA will continue to work with governmental partners in the Demobilization Plan as needed, the legal holidays will also limit LUMA's ability to prepare and file the Update to the Demobilization Report that is due on January 2, 2024. Thus, LUMA requests that this Energy Bureau rule that the next Update to the Demobilization Report shall be filed on January 15, 2024. If new developments on the demobilization process arise between today and the January 15th Update, LUMA will timely inform this Energy Bureau.

WHEREFORE, LUMA respectfully requests that this Energy Bureau **take notice** of the aforementioned, **accept** the First Demobilization Report submitted as *Exhibit 1* to this Motion **deem** that LUMA complied with that portion of the November 14th Order that requires submission of bi-weekly reports on decommissioning of the emergency generation resources and **grant** LUMA an extension until January 15, 2024 to file the next update to the Demobilization Report..

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 18th day of December, 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 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 1
First Demobilization Report



Generation Stabilization Plan: Demobilization of FEMA Generation Discussion

December 18, 2023

Agenda

- I. First Report Introduction: FEMA Puerto Rico Power System Stabilization Task Force (PR PSSTF) - Demobilization Planning
- II. Current Topics

FEMA Demobilization Planning

- **The Energy Bureau has ordered LUMA to report any work conducting to the demobilization of the 350 MW emergency generation resources** (in accordance with NEPR-MI-2022-0003, dated 11/ 14/ 2023)
 - This is the first such report being provided to the Energy Bureau
- FEMA is currently developing a plan for demobilizing the Emergency Generators on March 15, 2024, which is the current Rapid Disaster Infrastructure (RDI) contract end date for FEMA's generation O&M period
- **FEMA and Puerto Rico Power System Stabilization Task Force demobilization planning meetings** began in mid-October
 - Regular attendees will include FEMA, USACE, EPA, and COR3.

Demobilization: Current Topics

- **FEMA Task Force received request from the Puerto Rico Government:**
 1. To extend the power mission until December 2024; (currently planned to end 3/15/24)
 2. To support a “transition” (purchase or lease) to allow units to remain in place
- **FEMA Logistics team visited both the Palo Seco and San Juan sites during the week of 11/13/24**
 - The Logistics team is working to determine the assets that would be demobilized, and those that would remain after the March dates.



LUMA

Thank you!