

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

NEPR Received: Jan 29, 2024 10:41 PM

IN RE:

THE PERFORMANCE OF THE PUERTO
RICO ELECTRIC POWER
AUTHORITY

CASE NO.: NEPR-MI-2019-0007

SUBJECT: Motion in Compliance with Resolution and Order of December 21, 2023

**MOTION IN COMPLIANCE WITH
RESOLUTION AND ORDER OF DECEMBER 21, 2023**

TO THE PUERTO RICO ENERGY BUREAU:

COMES NOW, LUMA ENERGY SERVCO, LLC (“LUMA”), through the undersigned legal counsel and respectfully states and requests the following:

1. The requirement to submit quarterly reports on specified system data of the Puerto Rico Electric Power Authority (“PREPA”) arises under a Resolution and Order issued by the Puerto Rico Energy Bureau (“Energy Bureau”) on May 14, 2019, in this proceeding.

2. Pursuant to a Resolution and Order issued on December 30, 2020, the quarterly system data is due on the 20th day of the month after each quarter closes. Pursuant to Section 5.6 of the Puerto Transmission and Distribution System Operation and Maintenance Agreement (“T&D OMA”), LUMA, as an agent of PREPA, submits systems data regarding the Transmission and Distribution System (“T&D System”) and as instructed by the Energy Bureau, submit PREPA’s system data regarding generation.

3. On April 20, 2023, LUMA filed before the Energy Bureau its *Submission of Performance Metrics Report for January through March 2023 and In Compliance with Orders of*

January 12, 2023 and April 3, 2023 ("April 20 Motion"). LUMA submitted its Report on System Data, covering data from January through March 2023. Further, LUMA requested leave from the Energy Bureau to report reliability metrics (SAIDI and SAIFI metrics) using LUMA's districts and not the T&D System's previous operator's districts for the July 2023 quarterly performance metrics report filing.

4. Then, on July 20, 2023, LUMA filed its *Submission of Performance Metrics Report for April through June 2023* ("July 20 Motion"). LUMA submitted its Report on System Data covering April through June 2023. As announced in the April 20 Motion, in its submission of data pertaining to the reliability metrics, LUMA incorporated LUMA's districts instead of PREPA's districts. LUMA incorporated the historical data on LUMA's districts to compare the information on reliability metrics over time.

5. On August 16, 2023, the Energy Bureau entered a Resolution and Order in which it determined that additional information was required to evaluate LUMA's request to report the reliability metrics (SAIDI and SAIFI metrics) according to LUMA's operational districts instead of using PREPA's districts ("August 16 Order"). Therefore, the Energy Bureau instructed LUMA to respond to various requests for information contained in Attachment A of the August 16 Order within fifteen (15) days.

6. On August 31, 2023, LUMA filed a *Motion Requesting Extension of Time to Comply with Resolution and Order of August 16, 2023*. LUMA requested until September 6, 2023, to comply with the August 16th Order.

7. On September 6, 2023, LUMA filed a *Motion in Compliance with Resolution and Order of August 16, 2023, and Request for Confidential Treatment*. LUMA included its responses to the requests for information contained in Attachment A of the August 16 Order.

8. On October 16, 2023, the Energy Bureau issued a Resolution and Order determining that additional information was required to properly evaluate LUMA's Fiscal Year 2023 performance ("October 16 Order"). Thus, it included thirteen requests for information for LUMA to respond on or before October 31, 2023.

9. On October 20, 2023, LUMA filed its *Submission of Performance Metrics Report for July through September 2023* before the Energy Bureau ("October 20 Motion"). LUMA submitted its Report on System Data, covering July through September 2023 data. Further, LUMA submitted corrected data entry errors for several customer service metrics for April 2023.

10. Then, on October 31, 2023, LUMA filed a *Motion Submitting Restated Values for the SAIDI and SAIFI Reliability Performance Metrics for Fiscal Year 2023*. LUMA also included responses to the requests for information that the Energy Bureau had requested in the October 16 Order, except for the request for information 5(c), for which LUMA requested an extension until November 14, 2023, to prepare its response.

11. On November 8, 2023, the Energy Bureau entered a Resolution and Order granting LUMA's request for an extension of time to respond to the request for information 5(c) of the October 16 Order.

12. On November 9, 2023, LUMA filed a *Submission of Response to Requirement of Information 5(c) Issued in Order of October 16, 2023*. LUMA submitted the outstanding information in response to the October 16 Order.

13. On December 21, 2023, the Energy Bureau entered a Resolution and Order in which it determined that additional information was required to evaluate whether performance should be designated as improved or not improved ("December 21 Order"). Therefore, the Energy Bureau instructed LUMA to respond to various requests for information contained in Attachment D of the

December 21 Order and explain any lack of improvement from July 2022 to June 2023 for each metric labeled as such in Tables 1 through 5 of the December 21 Order within thirty (30) days.

14. On January 22, 2024, LUMA filed a *Motion to Request Extension of Time to Comply with Resolution and Order of December 21, 2023*. Therein, LUMA requested an extension until January 29, 2024, when the quarterly report for October, November, and December 2023 data was due, to provide the response requested by the Energy Bureau in the December 21 Order.

15. In compliance with the December 21 Order, LUMA hereby submits its responses to the requests for information contained in Attachment D of the December 21 Order and explanations for the performance of the metrics identified in Tables 1 through 5 in the December 21 Order from July 2022 to June 2023 as Exhibit 1 to this Motion.

WHEREFORE, LUMA respectfully requests this Honorable Bureau **take notice of the** aforementioned; **accept** the responses to the requests for information and explanations set forth in Exhibit 1 to this Motion; and **deem** LUMA complied with the December 21 Order.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 29th day of January 2024.

I hereby certify that I filed this Motion using the electronic filing system of this Energy Bureau and that I will send an electronic copy of this Motion to counsel for PREPA, Lionel Santa, Esq., lionel.santa@prepa.pr.gov, to Genera PR LLC, through its counsel of record, Jorge Fernández-Reboredo, jfr@sbglaw.com and Alejandro López Rodríguez, alopez@sbglaw.com, and the Independent Consumer Protection Office, Hannia Rivera Díaz, hrivera@jrsp.pr.gov.



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Exhibit 1



NEPR-MI-2019-0007

Responses to December 21st, 2023,
Resolution and Order

January 29, 2024

Executive Summary

The 4,500 men and women of LUMA are committed to building the more reliable, more resilient, more customer-focused, and cleaner energy system the people of Puerto Rico expect and deserve. Since assuming operations on June 1, 2021, LUMA has remained focused on the energy priorities critical to transforming the electric system, continuing to make real, significant, and lasting progress toward building a better electric system for our customers, including improvements to service reliability, grid resiliency, customer service, renewable energy and more.

Over the last two and a half years, LUMA's progress includes:

- Installing over 3,500 automated distribution devices,
- Clearing vegetation from over 3,900 miles of T&D powerlines,
- Replacing over 10,400 damaged poles,
- Installing over 90,000 streetlights,
- Connecting more than 84,000 customers to rooftop solar panels,
- Submitting 400 FEMA projects, and
- Supporting more than \$131 million in critical financial assistance for customers to pay their bills.

Island-wide Progress in 2023

As part of our commitment to transparency and working effectively with our regulator, the Puerto Rico Energy Bureau (PREB or the Energy Bureau), LUMA is submitting this document in compliance with PREB's Resolution and Order, dated December 21, 2023, wherein PREB requested further information on certain metrics, their performance in Fiscal Year 2023 (the period July 1, 2022 – June 30, 2023, FY23) and plans for improvement. The responses in this document provide greater details on the island-wide progress LUMA made during FY23 across key areas such as reliability, safety, and customer service.

Improving Reliability: LUMA is committed to increasing reliability and reducing the impact of outages on our customers. As a result of LUMA's efforts, by the end of the FY23, customers experienced an improvement of more than 34% in the frequency of outages over the PREPA baseline, and an improvement of more than 22% in the duration of system outages compared to FY22. To further improve reliability, we are deploying a series of initiatives, which include accelerating the deployment of grid automation devices, growing a highly trained workforce to respond safely and quickly to outages, and executing our plan for vegetation clearing.

Increasing Safety and Training: As we continue to grow and train our workforce, LUMA remains steadfast in our commitment to safety and ensuring operational conditions that prioritize safety and training. During FY23, LUMA continued to improve workplace safety by reducing the OSHA Days Away, Restricted, Transferred (DART) rate by 24% while also reducing the OSHA Recordable Incident rate by 23% compared to the previous year. To further improve safety, LUMA is deploying a comprehensive Safety Improvement Action Plan aimed at fostering a safety-oriented culture, ensuring proper training, enhancing robust incident reporting processes, and continuously monitoring and improving safety.

Improving Quality of Service for Customers: LUMA is committed to providing the highest quality customer service. In FY23, LUMA answered over 3 million calls with an average wait time of less than two minutes, and our response time to customer service requests was reduced

from nine to five days. LUMA has also successfully addressed and resolved an increased number of inquiries since launching Mi LUMA as a platform for customers to submit concerns. To further improve customer service, LUMA is planning a series of customer-focused initiatives to improve customer communications and outreach, including the recent launch of a new SMS text service that provides customers with timely text notifications on their initiated billing and service requests.

Upgrading Customer Service and Meter Readings: As part of LUMA's commitment to building a more customer-focused energy future, we will be deploying a series of improvements to the billing system. As part of this important effort, LUMA assessed meter read errors in the Customer Care & Billing System (CC&B) to determine the actions required to improve. This assessment informed our CC&B Optimization Plan and meter read plan for the field, designed to reduce current monthly estimates by more than 20,000 customers. For example, LUMA has several key initiatives underway or completed, including Meter Read and Replacement Initiative, an updated Meter Reading and Billing Calendar, and a new Utility Intelligence Platform.

We greatly appreciate the opportunity to provide the PREB with additional details and information regarding the progress LUMA made in 2023, and we are determined to build on the significant progress made toward achieving what is most important - a more reliable, more resilient, safer, cleaner energy, more customer-focused energy future for our 1.5 million customers and Puerto Rico.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 1

SUBJECT

OSHA Severity Rate & 12-Month Rolling OSHA Severity Rate

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) The severity rate is impacted by the number of days restricted and away from the job as a result of an incident. LUMA's OSHA Severity Rate for fiscal year 2023 (FY23) was 17.8 (12-month rolling average, July 2022/June 2023). This rate for the fiscal year is equal to the rolling average as it considers the same data for a 12-month period. Hurricane Fiona impacted our operations during FY23 (starting in September 2022), which is reflected in the data. As LUMA employees were activated during the response to Fiona, the event required long hours, which sometimes led to accidents that occurred during this period. Some of the injuries suffered by LUMA employees during this same period also required employees to be away from work and/or on restricted duties beyond normal operation periods.
- B) LUMA is steadfast in its commitment to safety. As part of a comprehensive Safety Improvement Action Plan, LUMA is deploying an Injury Management Plan and reinforcing the importance of timely reporting of incidents. The Safety Improvement Plan focuses on six key areas to drive safety improvement, including leadership commitment, employee involvement, hazard identification, training, incident management, and compliance monitoring. The plan aims to foster a safety-oriented culture, engage employees in safety initiatives, mitigate hazards, ensure proper training, enhance robust incident reporting processes, and continuously monitor and improve safety.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 2

SUBJECT

OSHA Fatalities & 12-Month Rolling OSHA Fatality Rate

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) For FY23, LUMA had one fatality, leading to an increase in the 12-month Rolling OSHA Fatality Rate compared to fiscal year 2022 (FY22).
- B) Please see response RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B-1. LUMA expects that the execution of the Injury Management Program will lead to an increase in safety throughout LUMA's operation. This program also targets a decrease in fatalities as it is expected that greater awareness and execution of safety principles would lead to less incidents.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 3

SUBJECT

DSO (Days Sales Outstanding) - General customers

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) General client Days Sales Outstanding (DSO) is impacted and increased by late payment or non-payment of bills by residential, commercial, and industrial clients and does not include customers that are government agencies or municipalities. The direct catastrophic impact of Hurricanes Maria and Irma caused severe economic hardship for PREPA customers that resulted in a large increase in outstanding debt to the electric utility. Due to the emergency brought on by those atmospheric events, restrictions were placed on PREPA's collection efforts. Those impacts were further exacerbated by the January 2020 earthquakes, the COVID-19 pandemic, and the Governor of Puerto Rico's Executive Order limiting collection activities on electric service customers. As a result, PREPA has not implemented disconnections since 2017. Some of the above-mentioned restrictions remained in place when LUMA began the operation of PREPA's Transmission & Distribution (T&D) System in June 2021. Importantly, those factors affect the Dunning Process and, therefore, impact the level of DSO.

Additionally, it should be noted that calculating the fiscal year value for DSO is not done by averaging the monthly DSO values. The DSO for the year is calculated by taking the total accumulated accounts receivable for the year, dividing this by the annual billed revenue, and multiplying this value by 365 days. To compare Fiscal Years, one should compare June of FY22 and June of FY23 because this shows the accounts receivable left at the end of the Fiscal Year.

- B) For the General client debt (general customers are all non-governmental customers), LUMA will continue to increase collection activities and actions. Since June 2021, LUMA

has been completing outbound calls (completed over 1.5 million outbound calls) and bill payment reminder letters. Additionally, LUMA has arranged over 50,000 payment plans. In January 2023, LUMA restarted disconnection activities for Commercial and Industrial (C&I) clients. Since then, C&I's debt has decreased. LUMA has also increased residential collection activities, and has been carrying out disconnection activities since November 2023 as collection restrictions were no longer in place. LUMA expects these increased collection steps to yield improvements in the General Client DSO.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B-4

SUBJECT

CAIDI (System)

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) The Customer Average Interruption Duration Index (CAIDI) represents the ratio between the System Average Interruption Duration Index (SAIDI) and the System Average Interruption Frequency Index (SAIFI), which describes the average time required to restore service. During FY23, CAIDI improved by 16% compared to FY22.
- B) LUMA's focus is on improving SAIDI and SAIFI performance. However, LUMA expects that its efforts, including field personnel, cross-training, expanding work shifts, and operation switching practices, will also help to improve CAIDI. LUMA's strategic improvement plan, described on LUMA's October 14, 2022, Submission in Response to Resolution and Order of August 18, 2022, RFI-LUMA-MI-2021-0007-220818-PREB-6, provides visibility over our improved operations efforts. Specific programs were developed and are being implemented to improve LUMA's delivery of safe, reliable, and resilient electric services while improving restoration times for customers. These efforts include the following:
 - a. Deployment of Distribution Automation
 - b. An increase in the focus of the workforce responding to outages
 - c. Greater execution and investment in Vegetation Management

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 5

SUBJECT

Percent of bills estimated vs read.

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) Two key categories cause estimated bills: 1) when a meter reading is not received for a specific meter during the required period, or 2) when a meter reading was received for a specific meter during the required period, but the billing system rejected the reading upon an assessment of the meter reading. LUMA has active plans in place to improve performance for both categories of estimated bills. As described in the Billing Accuracy and Back Office Program in the System Remediation Plan (SRP), after an initial stabilization period starting when LUMA took over operations, in January 2022, LUMA launched optimization efforts to the CC&B system that would assist in improving performance in this area.
- B) LUMA's plan to address estimated bills was originally developed and submitted to the Energy Bureau during the Front-End Transition under the System Remediation Plan for Billing Accuracy and Back Office (PBCS3). Since the commencement of operations in June 2021, LUMA has expanded its plan and ongoing key activities to address estimated accounts, among other billing issues.

As discussed in responses to RFI-LUMA-MI-2021-007-220818-PREB-1, RFI-LUMA-MI-2021-0007-230112-PREB-A1, and ROI-LUMA-MI-2019-0007-R2-16OCT23-011, LUMA has underway a Meter Read and Replacement initiative specifically to address meters and meter reading systems to increase the number of meters readings received. This initiative is focused on capturing manual meter readings to improve reading efficiency as well as addressing meter infrastructure issues in the field. This initiative is closely

coordinated with the objective to effectively replace all meters in Puerto Rico over the next 3-7 years with smart meters.

A specific example of an initiative underway with the Meter Read and Replacement initiative is a pathway change in the methodology of reading C&I customer meters. In the fall of 2022, LUMA conducted an assessment of non-residential customers' meters to understand the prevalence of specific meter issues better. This assessment has helped inform the near-term and long-term budgets for meter improvements ahead of smart meter deployment. Another key initiative has been evaluating and moving meters from a manual meter reading route to an Automated Meter Reading (AMR) route, where the meter or system has the necessary capability. LUMA identified several thousand meters that are capable of being read remotely by AMR but had been moved to a manual meter read route by the prior operator. However, due to the age of the systems supporting these meters, these efforts have taken several months to complete.

Additionally, LUMA has worked diligently to bring back substation technology for both reading and service. Since commencement of operations, 50 substations have been brought back into service, and grid infrastructure improvement is necessary to improve meter readings.

LUMA has key initiatives targeted to improve meter reading operations, such as:

- i. Updated Meter Reading and Billing Calendar with expanded timelines for manual meter reading to enable optimization of field resources.
- ii. Utility Intelligence Platform, which, for the first time in Puerto Rico's history, provides near real-time daily data for managing exceptions as they occur.
- iii. See also the response to docket NEPR-IN-2023-0003 Commercial Bill Estimates on C&I estimated meters for additional information regarding LUMA's plan and ongoing initiatives.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B-6

SUBJECT

Generation from RPS-eligible PPOA's (percent of sales)

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) This statistic indicates the proportion of Renewable Portfolio Standard (RPS) generation as a percent of total energy sales. RPS generation is an indicator of how much renewable generation has been built and is generating. As a result, this data describes PREPA's historical ability to contract renewable energy rather than any LUMA-specific performance.

LUMA respectfully reminds the Energy Bureau that it is not responsible for the generation or the procurement of electricity under the T&D Operation and Maintenance Agreement (T&D OMA).

- B) In parallel with LUMA assuming responsibility for the operation of the T&D system, PREPA initiated a procurement process for new renewable generation, generally referred to as Tranche 1. PREPA solicited, negotiated, and executed Power Purchasing and Operating Agreements (PPOA) for this new generation. LUMA has supported this process by coordinating interconnection studies, and developing and executing standardized Interconnection Agreements (IA) as an agent for PREPA with the project developers. IAs were not used in Puerto Rico before LUMA, and LUMA developed these key agreements in accordance with the System Operation Principles and following FERC guidelines. LUMA has signed 13 IAs with Tranche 1 proponents to interconnect their generation projects safely and reliably to the electrical grid.

LUMA has also supported several other renewable projects that are outside of the Tranche process but are RPS-eligible. These include the reconstruction of the Punta

Lima wind farm, as well as the Ciro One and Xzerta solar projects. Once these developers have completed their projects, LUMA will integrate them into the operating generation portfolio, increasing the amount of RPS-eligible generation.

In addition, the Pattern Wind Farm is in the process of implementing a capacity increase, poised to deliver an additional 20 MW of RPS-eligible renewable energy in Q1 2024. Finally, options being developed to expand the capacity of the Horizon and Oriana facilities could also increase the RPS component of total energy.

The Energy Bureau's additional procurement for new renewable generation, generally referred to as Tranche 2 and Tranche 3 processes, is also currently underway.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 7

SUBJECT

Turnover Rate

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) Turnover rate is determined by dividing the termination count (number of employees whose employment ended) by the opening headcount (total number of employees) for that period. The turnover rate typically fluctuates as part of normal operations based on several factors that impact the termination count, such as operational needs and seasonality, amongst others. LUMA considers the reported rate to be consistent and normal for a company of LUMA's scope, and the observed fluctuation in the rate is within reasonable ranges.
- B) We will continue monitoring the turnover rate to ensure that it stays within reasonable parameters. While turnover is not necessarily an indicator of retention challenges, we are always working to improve our employee experience through engagement activities, enhanced communication with the employees, training and development initiatives, wellness activities for employees, and competitive wages and benefits, which will tend to support desired retention of high- performing employees.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 8

SUBJECT

Monthly SAIDI Distribution by districts: Vega Baja, Barranquitas, Canóvanas, Aguadilla, Yauco

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) For FY23, LUMA improved the Distribution level SAIDI across the system. At the end of FY23, LUMA customers experienced an improvement of more than 22% in the duration of distribution system outages compared to FY22. For the districts listed above, there has been an increase in the number of outage events related to vegetation intrusion and distribution-level equipment. As we continue to execute island-wide efforts to improve reliability and resiliency, including but not limited to vegetation clearing and deployment of distribution automation, we expect to see improvement in the above districts.
- B) LUMA's strategic improvement plan for specific regions is similar to the plan described in LUMA's October 14, 2022, Submission in Response to Resolution and Order of August 18, 2022, RFI-LUMA-MI-2021-0007-220818-PREB-6, which includes improved operations efforts, where specific programs are developed to improve LUMA delivery of safe, reliable, and resilient electric services while improving restoration times to customers.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 9

SUBJECT

Monthly SAIDI Transmission Substation by districts: Utuado, Vega Baja, Canóvanas, Fajardo, Aguadilla, Yauco

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) For FY23, LUMA improved its reliability index for Transmission and Substation Systems for the overall system. LUMA customers, at the end of FY23, experienced an improvement of more than 22% in the duration of Transmission and Substation outages compared to FY22. For the districts listed above, there was an increase in the number of outage events in transmission lines and substation equipment, as well as events related to vegetation. As we continue to execute island-wide efforts to improve reliability and resiliency, including but not limited to vegetation clearing and deployment of distribution automation, we expect to see improvement in the above districts.
- B) LUMA's strategic improvement plan for specific regions is similar to the plan described in LUMA's October 14, 2022, Submission in Response to Resolution and Order of August 18, 2022, RFI-LUMA-MI-2021-0007-220818-PREB-6, which includes improved operations, where specific programs target improving LUMA's delivery of safe, reliable, and resilient electric services while improving restoration times to customers.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 10

SUBJECT

Monthly SAIDI (T&D) by district: Utuado, Vega Baja, Barranquitas, Canóvanas, Fajardo, Aguadilla, Yauco

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) For FY23, LUMA improved its SAIDI for T&D Systems overall. At the end of the fiscal year, LUMA customers experienced an improvement of more than 2% in the duration compared to the PREPA baseline, and more than 22% compared to FY22. For the districts listed above, there has been an increase in the number of outage events in transmission lines and substation equipment, as well as events related to vegetation. As we continue to execute island-wide efforts to improve reliability and resiliency, including but not limited to vegetation clearing and deployment of distribution automation, we expect to see improvement in the above districts.
- B) LUMA's strategic improvement plan for specific regions is similar to the plan described in LUMA's October 14, 2022, Submission in Response to Resolution and Order of August 18, 2022, RFI-LUMA-MI-2021-0007-220818-PREB-6, which includes improved operations efforts, where specific programs are developed to improve LUMA delivery of safe, reliable, and resilient electric services while improving restoration times to customers.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 11

SUBJECT

Monthly SAIFI Distribution by districts: Vega Baja, Barranquitas, Humacao, Canóvanas, Aguadilla, Guayama, Yauco

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) For FY23, LUMA improved overall SAIFI. LUMA customers, at the end of the fiscal year, experienced an improvement of more than 1% in the average frequency of distribution outages compared to FY22. For the districts listed above, there has been an increase in the number of outage events related to vegetation and distribution-level equipment. As we continue to execute island-wide efforts to improve reliability and resiliency, including but not limited to vegetation clearing and deployment of distribution automation, we expect to see improvement in the above districts.
- B) In the effort to continue to improve system reliability, specifically in the frequency of interruptions, LUMA continues executing strategic improvement plans across the island (details provided within the SRP), where specific improvement programs were developed to improve LUMA's delivery of safe, reliable, and resilient electric service. Among those plans are the following:
 - Distribution Line Rebuild
 - Distribution Reliability Improvement
 - Distribution Pole and Conductor Repair
 - Distribution Automation
 - Vegetation Management Strategic Approach
 - Enhanced Asset Monitoring
 - Wildlife Mitigation Programs

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 12

SUBJECT

Monthly SAIFI Transmission Substation by districts: Utuado, Vega Baja, Barranquitas, Caguas, Canóvanas, Fajardo, Yauco

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) For FY23, LUMA improved the reliability index for the Transmission and Substation System Reliability Index. At the end of the fiscal year, LUMA customers experienced an improvement of more than 18% in the Transmission and Substation outage frequency compared to FY22. For the districts listed above, there has been an increase in the number of outage events related to transmission lines and substation equipment in these areas.
- B) To continue improving system reliability, specifically in the frequency of interruptions, LUMA continues addressing corrective action plans across the island whose details are within the SRP, where specific improvement programs were developed to improve LUMA's delivery of safe, reliable, and resilient electric service. These programs include:
 - Transmission and Conductor Replacement
 - Transmission Line Rebuild
 - Transmission Reliability Improvement
 - Transmission Pole and Conductor Repair
 - Transmission Automation
 - Vegetation Management Strategic Approach
 - Enhanced Asset Monitoring
 - Wildlife Mitigation

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 13

SUBJECT

Monthly SAIFI (T&D) by districts: Utuado, Vega Baja, Barranquitas, Canóvanas, Fajardo, Aguadilla, Yauco

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) For FY23, LUMA improved the overall SAIFI. At the end of the fiscal year, LUMA customers experienced an improvement of more than 34% in the frequency over the PREPA baseline, and more than 7% compared to FY22. For the districts listed above, there has been an increase in the number of outage events related to vegetation and equipment issues in these areas. As we continue to execute island-wide efforts to improve reliability and resiliency, we expect to see improvement in the above districts as well.
- B) To continue improving system reliability, specifically in the frequency of interruptions, LUMA continues addressing corrective action plans across the island whose details are within the SRP, where specific improvement programs were developed to improve LUMA's delivery of safe, reliable, and resilient electric service.
 - Transmission and Conductor Replacement Programs
 - Transmission and Distribution Line Rebuild
 - Transmission and Distribution Substation Reliability Improvement
 - Transmission and Distribution Pole and Conductor Repair
 - Transmission and Distribution Automation
 - Vegetation Strategic Approach
 - Enhanced Asset Monitoring
 - Wildlife Mitigation Programs

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 14

SUBJECT

Number of customer complaints closed by class (Act 57 claims): Primary, Public Residential, Subsidized Residential

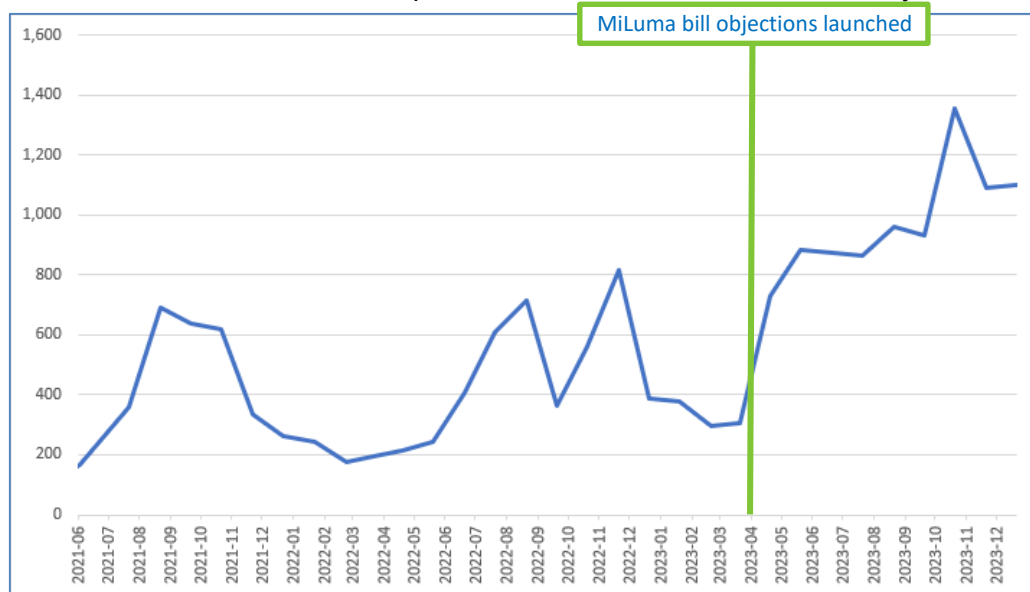
REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) Customer complaints have seen an increase since April 2023, partially due to the launch of the ability for customers to use MiLuma to object to their invoices. As is demonstrated in the graph below on Customer Complaints closed, we believe that the MiLuma bill objection launch has resulted in an increase in the number of bill objections received.

Due to LUMA’s commitment to keep costs low, LUMA did not immediately increase the



number of billing analysts on staff concurrent with the increase in complaints opened.

The increase may simply be cyclical, in which case an increase in permanent employees would not be justified. Additionally, it is possible that in these customer groups, the cases were more complex during this specific period and, therefore, required additional time to resolve. There is sometimes a lag in the number of cases closed in order to allow our staff to prudently work through the cases.

- B)** Firstly, LUMA aims to provide all customers with the same level of customer service, and therefore, all improvements benefit all customers. Additionally, it is worth noting that the number of customer complaints closed is not by itself an indicator of LUMA's performance. However, we are committed to addressing each customer's complaint to provide a quality service. We are always trying to improve LUMA's customer experience to decrease customer complaints, such as through the implementation of a "How to Read my Bill" section of the LUMA website and website improvements taking place in Fiscal Year 2024 (FY24), Advanced Metering Infrastructure (AMI) deployment that will improve billing accuracy, and an improved estimation algorithm.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 15

SUBJECT

Percent of customers on AMI by sub-group: System, Guánica

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) As stated in RFI-LUMA-MI-2021-007-220818-PREB-A3, LUMA has not currently deployed AMI.
- B) The initial deployment of AMI meters in Puerto Rico is planned for Fiscal Year 2025 (FY25).

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 16

SUBJECT

Total available vehicles in service (system) T&D

REQUEST

- A) Explanations
- B) Measures to improve performance

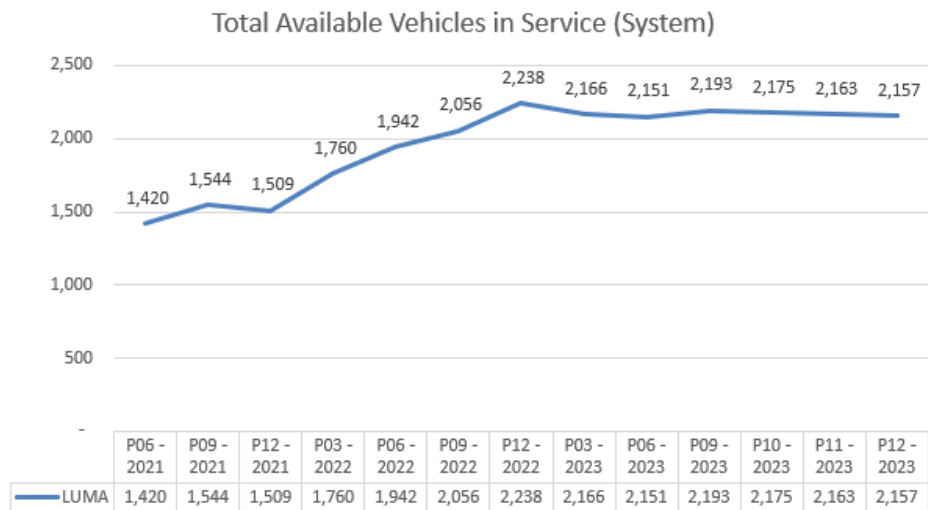
RESPONSE

- A) Upon starting operations, LUMA kicked off the process to properly identify all fleet assets received from PREPA. LUMA developed and implemented several strategies necessary to certify a true inventory of active vehicles and equipment. The fleet for the T&D System increased from 936 vehicles and equipment in June 2021 to 2,157 in December 2023. Although budget limitations are a constraint on the growth of fleet assets, the inventory of active vehicles in service has increased steadily since 2021. As part of our efforts to increase the Total Available Vehicles in Service, LUMA incorporated 77 additional light-duty units into the fleet during the 2023 calendar year. Total Available Vehicles in Service show a reduction of 2% from 2,209 in January 2023 to 2,157 in December 2023 due to efforts made in the identification of deployable units. This effort increased the number of units to be disposed of and identified some missing units previously included in our inventory and classified as active.
- B) Due to the effort of physically identifying units, there may be temporary decreases in the number of available vehicles in service. LUMA plans to acquire new units that will result in net increases in this metric and support the revitalization of the fleet. In terms of the performance of our fleet and our personnel, please refer to RFI-LUMA-MI-2021-0007-2301112-PREB-A5. All of the LUMA Heavy Duty and Aerial Equipment Fleet being utilized for operation and maintenance of the T&D System is fully compliant with applicable US FMCSA (Department of Transportation), OSHA, ANSI, Puerto Rico Comisión de Servicio Público (CSP), and the Bureau of Transportation and other Public Service (NTSP) regulations. We are committed to having our employees operate safe equipment that also supports the safety of all drivers who share the roadways. Training

is ongoing to improve safety. LUMA mechanics, supervisors, and managers completed multiple training programs, including:

- a) Automeca Anti-Lock Brake System (ABS), Traction Control
- b) Hydraulic and Pneumatic Systems
- c) Automotive Collision and Damage Assessment
- d) Automeca Direct Injection Systems
- e) OSHA 30 Hours Certification
- f) Procedure to perform annual periodic inspections DOT
- g) Health and Safety in the Maintenance Shops (HSE)
- h) Fire Extinguisher Training and Certification

The following chart shows the total available vehicles in service from June 2021 to December 2023:



Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 17

SUBJECT

Operational RPS-eligible capacity

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) This metric is closely related to the RPS-eligible PPOA metric, except this metric measures capacity instead of energy. The performance of this metric reflects the developers' ability to construct and commercialize new-generation projects.

LUMA respectfully reminds the Energy Bureau that LUMA is not responsible for the generation or the procurement of electricity under the T&D OMA.

- B) Please see response RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B-6.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B-18

SUBJECT

Generation from RPS-eligible PPOA's (by unit)

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) This statistic is closely related to the RPS-eligible PPOA and the RPS-eligible capacity items. All three did not increase because no generators successfully completed any new utility-scaled generation during this period.

LUMA respectfully reminds the Energy Bureau that LUMA is not responsible for the generation or the procurement of electricity under the T&D OMA.

- B) Please see response RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B-6.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 19

SUBJECT

Total installed distributed generation capacity – Photovoltaic: San Juan

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) From April 2022 to June 2023, one of the distributed generation (DG) installations from the San Juan district was reported as 0 MW capacity instead of 5 MW. By correcting the data, the average for FY22 will be 8.34 MW, and 9.22 MW for FY23, having an increase between these years. This correction will be reflected in the Quarterly Report Filing for FY24 Q2.

Additionally, LUMA does not purchase, install, operate, or otherwise cause the number of DG systems that are installed, having little or no control over the primary drivers of distributed photovoltaic capacity metrics.

- B) With the correction stated in A, there is an increase from FY22 to FY23.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 20

SUBJECT

Incremental installed distributed generation capacity per month – Photovoltaic: Monacillos, San Sebastián, Utuado

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) Prior to January 2023, the PREPA/LUMA portal had limitations in reading the data, and therefore, the incremental DG capacity per month was an estimated number for some regions. After January 2023, LUMA improved its reporting procedures to gather the Alternate Current (AC) data, and by leveraging the information from the web portal database (instead of relying on estimates), we were able to reduce the number of cases with estimated capacity information and the more recent reported data was, therefore, more accurate. To compare more accurate readings with estimated values is not a like-to-like comparison and results in variations from FY22 to FY23 in some districts that are not indicative of the actual data. After the January 2023 readings, no further adjustments or changes have been made, and the numbers of subsequent months align with expected variations in capacity numbers. As for Monacillos, an additional factor may have caused this variation. There was a DG reported in MW instead of kilowatts (kW), and when corrected in January 2023, the value decreased.

Additionally, LUMA does not purchase, install, operate, or otherwise cause the number of DG systems that are installed, having little or no control over the primary drivers of distributed photovoltaic capacity metrics.

- B) Due to the above-mentioned changes, there have already been significant improvements in the data.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 21

SUBJECT

Total installed distributed generation capacity – Wind: Total, Santa Isabel

Incremental installed distributed generation capacity per month – Wind: Total, Santa Isabel

Total number of distributed generation installations – Wind: Total, Santa Isabel

Incremental number of distributed generation installations – Wind: Total, Santa Isabel

REQUEST

- A)** Explanations
- B)** Measures to improve performance

RESPONSE

- A)** LUMA does not purchase, install, operate, or otherwise cause the number of DG systems that are installed, having little or no control over the primary drivers of distributed photovoltaic capacity metrics.

Additionally, no additional wind DG capacity was installed in the Santa Isabel district.

- B)** Please see RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 21(A).

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 22

SUBJECT

Incremental installed BESS capacity: Maricao, Yauco

Incremental number of BESS installations: Maricao

REQUEST

- A) Explanations
- B) Measures to improve performance

RESPONSE

- A) For Maricao, there was no substantial increase in battery installations during the period. For Yauco, in January 2022, LUMA reported an incremental capacity of 15 thousand kilowatt hours (kWh). However, this was a data error, and the correct incremental capacity for that month was 244 kWh. This correction will be reflected in the January Quarterly Report Filing. With this correction, the average incremental capacity for Yauco for FY22 should be 248 kWh.

Additionally, as stated in RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B-19(A), LUMA does not purchase, install, operate, or otherwise influence the number of DG systems that are installed having little or no control over primary drivers of distributed photovoltaic capacity metrics.

- B) Please see RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B-22(A).

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment C-1

SUBJECT

SAIDI (by district)

REQUEST

While the following districts have experienced shorter outage durations in FY23 than in FY22, the average monthly outage durations are still higher than the system average of 102 minutes. For each of the following districts, provide additional details and explanation on the topic of why these operational districts experience longer outages than the rest of the system and how LUMA plans to address this issue going forward.

- a. Bayamón
- b. Humacao
- c. Mayagüez
- d. San Juan

RESPONSE

LUMA respectfully clarifies that the monthly average outage duration is not a useful or meaningful statistic for measuring system performance. Also, this methodology is not industry standard. SAIDI is used to measure the System Average Duration in minutes and is calculated as an accumulated value over the period of time that is being analyzed. Therefore, it is not accurate to say that these districts experienced longer outages than the rest of the system. Thus, LUMA respectfully clarifies that the operational districts of Bayamón, Humacao, Mayaguez, and San Juan did not experience longer outages than the rest of the system.

For FY23, LUMA improved SAIDI for T&D Systems. At the end of the fiscal year, LUMA customers experienced an improvement of more than 2% in the duration over the PREPA baseline, and more than 22% compared to FY22.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment C-2

SUBJECT

SAIDI (by district)

REQUEST

In the operational district of Utuado, the average monthly outage duration for FY23 was 202 minutes. This was an increase relative to last year's value of 173 minutes. This is also nearly double the system average outage duration. Provide additional details and an explanation of why this district experiences longer outages than the rest of the system and how LUMA plans to address this issue going forward.

RESPONSE

Please see RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment C-1.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment C-3

SUBJECT

SAIFI (by district)

REQUEST

For each of the following districts, provide additional details and explanation on the topic of why these districts experience more frequent outages than the rest of the system and how LUMA plans to address this issue going forward.

- a. Utuado
- b. Bayamón
- c. Humacao
- d. Mayagüez
- e. San Juan

RESPONSE

LUMA respectfully clarifies that the monthly average of outage frequency is not a useful or meaningful statistic for measuring system performance. Also, this methodology is not industry standard. It is not the industry standard to take a monthly average of frequency as a means of measuring system performance. SAIFI is used to measure the System Average Frequency and is calculated as an accumulated value over the period of time that is being analyzed. Therefore, it is not accurate to say that these districts experienced more frequent outages than the rest of the system.

Please see RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment B- 13 for more information on SAIFI improvements from FY22 to FY23.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment C-4

SUBJECT

SAIFI (System)

REQUEST

Refer to LUMA's reported values for "Monthly SAIFI (T&D)" in the October 31 submission. The value reported for the "System" subgroup for June 2023 was 0.88-- the highest value that LUMA has reported since taking over system operation. Please explain what factors contributed to this increase and how LUMA plans to improve upon this going forward.

RESPONSE

For FY23, LUMA improved the SAIFI for the system. At the end of the fiscal year, LUMA customers experienced an improvement of more than 34% in the frequency over the PREPA baseline, and more than 7% compared to FY22. It is worth mentioning that the use of certain monthly values is misleading as the seasonal impact of the weather in Puerto Rico trends higher outages in some months than others. Because of the variation in weather and other external factors experienced over the year, reliability is typically analyzed on a multi-year basis to determine meaningful trends. Evaluating performance over shorter time periods can be misleading and can lead to erroneous conclusions.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-1

SUBJECT

Capital expenses vs. budget

REQUEST

- A)** Please explain the reasons for the average variance of -26 percent between projected capital spending and actuals in FY2023.
- B)** State how this variance would be different for FY23 if LUMA had reported this metric as YTD actual spending versus budget.

RESPONSE

- A)** Detailed reasons for the FY23 variance can be found in LUMA's Annual Report for FY23, submitted in October 2023, and are summarized below:
 - 1) Complexities of complying with the federal procurement process for the IT OT Telecom Systems & Network Program.
 - 2) Delays in obtaining approvals of geotechnical studies, and U.S. Fish and Wildlife requirements of field surveys for transmission line projects. (Transmission Line Rebuild Program).
 - 3) Delays in contract development for the Critical Energy Management System Program.
 - 4) Experienced delays in getting equipment drawings and materials needed to complete the design phase for the Substation Security Program Delays.
- B)** The variance would not be different for FY23 if LUMA reported this metric as YTD actual spending versus budget.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-2

SUBJECT

Distribution line inspections

REQUEST:

- A)** How does LUMA define an inspection?
- B)** How does this compare with the methodology and values proposed to be used in Docket NEPR-AP-2020-0025?

RESPONSE:

- A)** LUMA defines a distribution line inspection as it does in the Docket No. NEPR-AP-2020-0025: “The Distribution Line Inspections and Targeted Corrections metric will assess the physical integrity of the poles, structures, components and equipment, providing data to develop an overall health rating to identify serious safety issues to either the public or worker that will result in high-priority attention by LUMA.”
- B)** The definition is in alignment with the methodology and values stated in Docket NEPR-AP-2020-0025. Revised Annex IX (filed October 28, 2022), in addition to the definition above, states the objective is to incentivize system safety and provide data to make decisions on reliability improvements, predictive maintenance, circuit hosting capacity, and resiliency upgrades. Additionally, it states that the calculation is the number of distribution lines inspected with results recorded in a database, and Category 0 and Category 1 findings shall be incorporated in a plan within 60 days of identification to address. This does not change for the Distribution line inspection metric in this Docket No. NEPR-MI-2019-0007.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-3

SUBJECT

Transmission line inspections

REQUEST

- A)** How does LUMA define an inspection?
- B)** How does this compare with the methodology and values proposed to be used in Docket NEPR-AP-2020-0025?

RESPONSE

- A)** LUMA defines a transmission line inspection as it does in the Docket No. NEPR-AP-2020-0025: “The Transmission Line Inspections and Targeted Corrections metric will assess the physical integrity of the poles, structures, components and equipment, providing data to develop an overall health rating to identify serious safety issues to either the public or worker that will result in high-priority attention by LUMA.”
- B)** The definition is in alignment with the methodology and values stated in Docket NEPR-AP-2020-0025. Revised Annex IX (filed October 28, 2022), in addition to the definition above, states the objective is to incentivize system safety and provide data to make decisions on reliability improvements, predictive maintenance, circuit hosting capacity, and resiliency upgrades. Additionally, it states that the calculation is the number of transmission lines inspected with results recorded in a database, and Category 0 and Category 1 findings shall be incorporated in a plan within 60 days of identification to address. This does not change for the Transmission line inspection metric in this Docket No. NEPR-MI-2019-0007.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-4

SUBJECT

T&D substation inspection

REQUEST

- A)** How does LUMA define an inspection?
- B)** How does this compare with the methodology and values proposed to be used in Docket NEPR-AP-2020-0025?

RESPONSE

- A)** LUMA defines a substation inspection as it does in the Docket No. NEPR-AP-2020-0025: “The T&D Substation Inspections and Targeted Corrections metric will assess the physical integrity of the structures, components and equipment, providing data to develop an overall health rating to identify serious safety issues to either the public or worker that will result in high-priority attention by LUMA.”
- B)** The definition is in alignment with the methodology and values stated in Docket NEPR-AP-2020-0025. Revised Annex IX (filed October 28, 2022), in addition to the definition above, states the objective is to incentivize system safety and provide data to make decisions on reliability improvements, predictive maintenance, circuit hosting capacity, and resiliency upgrades. Additionally, it states that the calculation is the number of transmission lines inspected with results recorded in a database, and Category 0 and Category 1 findings shall be incorporated in a plan within 60 days of identification to address. This does not change for the T&D Substation inspection metric in this Docket No. NEPR-MI-2019-0007.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-5

SUBJECT

Day Sales Outstanding

REQUEST

- A) How does LUMA's methodology for calculating DSO in this docket compare with the methodology and values proposed to be used in Docket NEPR-AP-2020-0025?

RESPONSE

- A) DSO is calculated in this Legacy metric docket (NEPR-MI-2019-0007) by dividing the Total Accounts Receivable for the listed Customer Class (either Government or General Client) by the monthly Revenue for that Customer Class and multiplying by 33 days to calculate a monthly DSO. The Accounts Receivable value does not include the Contribution in Lieu of Taxes (CILT) for the Government Customer Class.

For the Docket No. NEPR-AP-2020-0025, DSO is calculated on an annual basis. General Clients are calculated using the Total Accounts Receivable for General Clients, divided by the Annual Revenue for General Clients, and multiplied by 365 days. The Government DSO is calculated using the Total Accounts Receivable for Government Customers less municipal debt plus CILT debt, then divided by annual Government Revenue and multiplied by 365 days.

Therefore, there are two differences in how DSO is calculated across the two dockets. The first is the period it is measured over. For NEPR-MI-2019-0007, it is a period of 33 days, and for NEPR-AP-2020-0025, it is a period of 365 days. The second is the inclusion of CILT in the Accounts Receivable for the Government Customer Class. It is not included in the 0007 docket, but it is included in the 0025 docket.

CILT (or the acronym CELI in Spanish) is the Contribution in Lieu of Taxes by PREPA to municipalities in Puerto Rico. CILT amounts do not represent a receivable from customers as customers pay for these balances through a separate rider. The CILT amounts included are merely a revenue requirement calculation.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-6

SUBJECT

Net monthly work orders balance

REQUEST

- A) Explain the reason for the increase in work orders relative to FY22.
- B) How long does it take LUMA on average to resolve work orders?
- C) How does LUMA currently track and define work orders?
- D) Explain if and how LUMA currently categorizes its work orders.
- E) Does LUMA have the data available to report work orders balance by category?

RESPONSE

- A) The balance of work requests increased in FY23 compared to FY22 due to the state of the electrical system and the inefficiencies of the supporting technologies and processes that persist. The response provided in TC-RFI-LUMA-MI-19-0007-211104-PREB-007 to the PREB on November 21, 2021, provides an accurate representation of how this metric has been calculated in FY22 and FY23, the situations regarding duplication and efforts to clean up outstanding backlog. The improvements LUMA has made towards the intake of customer requests since starting operations continue to contribute to the growing backlog of customer requests.

The table below shows the Work Order Balance as reported for FY22 and FY23. As highlighted below, a significant decrease in Work Order Balance resulted from cleanup efforts in September and October 2021. This clean-up involved eliminating work orders that had been resolved or otherwise were no longer valid.

Work Order Balance		
Fiscal Year	2022	2023
July	368621	181105

August	382288	196380
September	76136	209482
October	88190	220552
November	97825	228705
December	105311	234565
January	115645	226962
February	132134	232820
March	149453	238878
April	159645	230988
May	176871	236932
June	195289	243017

LUMA continues to focus on processes, technological improvements, and training to reduce the balance of work orders. These efforts are occurring within the work request initiation phase, which includes properly categorizing tickets and restricting duplicate ticket creation, within the work request closure phase by bundling similar work tickets geographically together and having dedicated crews focus on this work, and through the ongoing FEMA reconstruction efforts that seek to address the root of customer concerns such as the vegetation reset, the streetlight program and pole replacement program as examples.

- B)** LUMA does not currently measure the average time to resolve work requests. The time to address work requests varies based on the severity, resources, and other priorities, which poses challenges in measuring the time it takes to resolve those work requests. Due to the volume of tickets received, LUMA has a triage process to ensure the highest priority emergency tickets are addressed first to ensure customer and public safety.
- C)** Work orders have been tracked through the Severn Trent Operational Resources Management System (STORMS) and Outage Management System (OMS) systems since October 2022. Work orders are used to track and manage work, and they can include internal and external requests, such as customer requests. LUMA defines work requests as defined in answer D.
- D)** LUMA currently categorizes its work orders as Streetlight, Vegetation, High or Fluctuating Voltage, Fire, Dangerous Situation, Phase Out, Arc Flashes, Broken Pole, Line Dropped, Leaking Transformer, and Exposed Pedestal. Categories may vary over time based on operational needs.
- E)** Yes, LUMA has information available to show work order balance by the defined categories in D above.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-7

SUBJECT

Percent of customers on AMI

REQUEST

- A)** Explain why the percentage of customers on AMI for Guánica is higher in June 2022 than prior and following months.
- B)** If this is an error, please provide the correct value.

RESPONSE

- A)** This is a typo error.
- B)** The correct value is 0.07% for June 2022.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-8

SUBJECT

Budgeted and actual headcounts by employee type

REQUEST

- A) Please explain the reasons for the actual employee headcounts exceeding the budgeted headcounts in FY23, particularly in the Operations and Support Services sub-groups.

RESPONSE

- A) As of January 2023, there was an internal reclassification and redistribution of some resources from LUMA's Utility Transformation area to other areas of LUMA to improve the organizational alignment of tasks. While this did not affect the total headcount for actual or budgeted, the realignment affected the actual headcount by type. Because the budgeted headcount by type remained as originally budgeted, this resulted in data that indicated exceeded budgeted headcounts, and others reflected a lower headcount than budgeted.

Reclassification and redistribution of resources are performed to support the operational needs better. In this case, some resources were redistributed to different work areas, such as T&D Operations, Engineering, and Customer Experience, to align and maximize the resources that were needed.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-9

SUBJECT

Number of disconnections

REQUEST

- A) Please describe LUMA's approach to customer disconnection now that the moratorium has ended.

RESPONSE

- A) Timely payment of electric utility bills helps reduce overall costs, assures that there is sufficient cash flow for PREPA to meet its obligations, and allows LUMA to continue to improve service and rebuild the electrical grid with fiscal prudence.

LUMA commenced C&I disconnections in January 2023 and will continue disconnections for accounts in arrears that meet the criteria with debt higher than 90 days. LUMA commenced residential disconnections in November 2023 and will continue with those that meet the criteria as well. Also, during FY23, LUMA worked extensively with the Government of Puerto Rico to reduce unpaid bills from government agencies. This successful effort has resulted in government agencies being current on their accounts. At the end of September 2023, DSO was less than two weeks on government agency accounts. This is a historic achievement in Puerto Rico and helps to make clear that all customers must pay their utility bills.

LUMA uses a standard 30-60-90-day dunning process to determine customers who are in arrears. LUMA contacts customers in arrears via phone and letters multiple times to communicate directly with customers. LUMA's representatives attempt to establish a dialogue with customers in an effort to find solutions so that customers can reduce their debt and continue to receive service.

LUMA always offers customers in arrears the opportunity to commit to a reasonable payment plan. LUMA's objective is for the customer to bring their account current over time and avoid disconnection. By and large, the overwhelming majority of LUMA's customers make every effort to pay their bills on time. At the end of FY23, LUMA had

more than 28,000 customers on payment plans (about 1.85% of total customers). So far, in FY24, it has reported 2,868 customer disconnections (0.19% of customers).

LUMA also works with customers to connect them with potential financial aid. This includes helping customers so that they can obtain government-provided financial aid like the Low Income Home Energy Assistance Program (LIHEAP), Negative Rent, Community Development Block Grant (CDBG) funds, and any other assistance that may be available due to government emergency relief efforts. Since July 2021, LUMA has facilitated customers receiving more than \$131 million in financial assistance to pay their electrical bills.

LUMA works with multiple stakeholders in our payment processes to have an efficient and fair payment process. This includes cooperating with the Independent Office of Consumer Protection (OIPC, their acronym in Spanish), the Energy Bureau, municipalities, and government agencies in order to achieve our objective of timely payment for utility bills and a fair and clear customer experience with fiscal prudence.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-10

SUBJECT

Number of curtailed hours from RPS-eligible capacity

REQUEST

- A) What protocol is LUMA following to determine when to curtail renewable resources?
- B) Describe how LUMA's curtailment protocol follows the System Operation Principles reviewed and approved in NEPR-MI-2021-0001.

RESPONSE

- A) LUMA applies curtailments based on the specific requirements outlined in each Purchase Power Operating Agreement (PPOA) and consistent with the System Operation Principles. These curtailment decisions are implemented by Systems Operations dispatch, adhering to operational conditions that prioritize the safety and reliability of the overall system. Curtailments are allowed for reasons of reliability, severe weather, or emergency or safety. Curtailments did occur during the Spring of 2023. In these cases, LUMA's decision criteria were driven by reliability reasons that were required due to the relatively large amount of rooftop distributed generation (DG) which was injecting power into the system at the time.
- B) LUMA's curtailment protocol is defined with the System Operation Principles delineated in NEPR-MI-2021-0001. The decisions made by Systems Operations dispatch regarding curtailments are guided by these principles, ensuring operational conditions that prioritize safety and reliability. This adherence to approved standards underscores LUMA's commitment to maintaining a secure and dependable energy system.

LUMA has been communicating closely with existing generators related to topics of curtailment to try to improve the overall process since all parties are aware that curtailments are expected to increase considerably. At the December meeting of the Renewable Generators Stakeholders' Committee, it was decided to form a working group with LUMA and all the generators to jointly review ways that curtailment can be improved. The initial focus has been to improve the overall quality of data collected

about curtailments, and to ensure all parties have consistent data. Several steps are being taken to exchange more information with generators. An additional item identified by the generators was to improve communications around curtailment events. As a result, LUMA is working on improving communications. The outcomes of these working group discussions are expected to be discussed with the generators and compiled into revised procedures that will be shared with the Renewable Generators Stakeholder Committee.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-11

SUBJECT

Non-Technical Losses as a Percent of Net Generation

REQUEST

- A) LUMA's reported average net technical losses as a percent of net generation increased slightly in 2023 relative to 2022. Explain the reasons for this increase.

RESPONSE

- A) The losses are determined from interactions considering a twelve-month rolling average of energy from the large-scale producers and the billed consumption. It should be noted that calculating the fiscal year value for Non-Technical Losses as a Percent of Net Generation is not done by averaging the monthly Non-Technical Losses as a Percent of Net Generation values. The Non-Technical Losses as a Percent of Net Generation value that accurately represents fiscal year performance is the value for the last month of the fiscal year, in the case of FY23, that is, June 2023. The correct comparison would be taking June 2023 versus June 2022, which indicates a reduction in this statistic. Therefore, there is not an increase relative to 2022 for this metric.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-12

SUBJECT

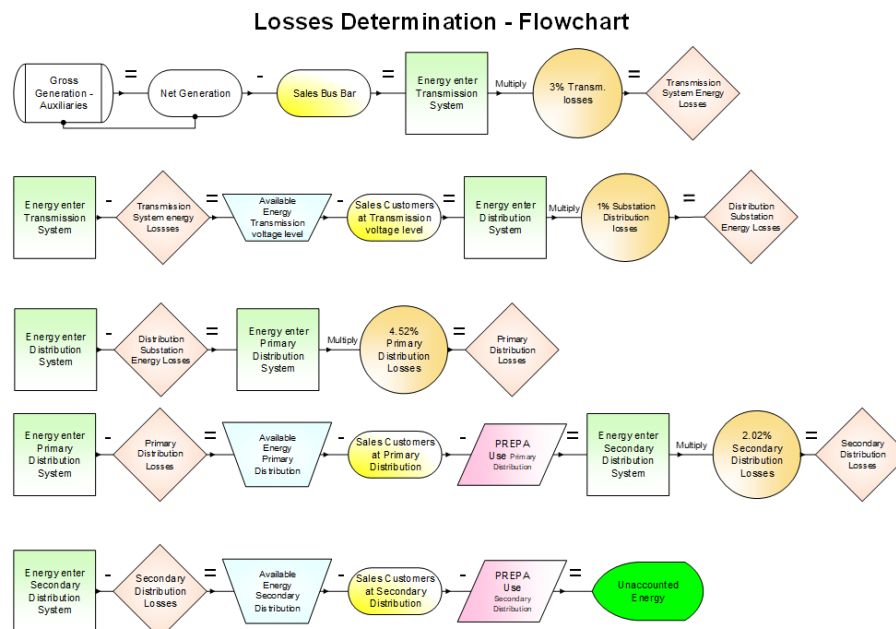
Non-Technical Loss Reduction as a Percent of Net Generation

REQUEST

- A) Explain LUMA's methodology for calculating non-technical loss reduction as a percentage of net generation. Specify how a negative versus positive value for this value should be interpreted.

RESPONSE

- A) The following flowchart shows the process for determining technical and non-technical losses:



Technical losses are equal to the total Transmission System Energy, Distribution Substation, and Primary Distribution and Secondary Distribution Losses (Diamond Figures). The Unaccounted energy is equal to the non-technical losses.

The necessary data comes from several sources:

- Official Generation Report:
 - Gross and net generation by type
- CC&B Reports
 - Billed Consumption by Voltage Level
 - PREPA usage by Voltage Level

The percentage of technical losses, as shown in the flowchart above, are applied according to studies carried out by PREPA in mid-2000, and these are:

Technical Losses

Transmission	3.00%
Primary Distribution	4.52%
Substation Distribution	1.00%
Secondary Distribution	2.02%

Losses are determined based on the rolling accumulation of data over 12 months to mitigate the mismatch of billing cycles with the calendar month. The negative values mean that the losses percentage in the month is less than the percentage in the previous month. Therefore, a negative value is equal to less losses.

Performance Metrics Quarterly Report

Docket Number: NEPR-MI-2019-0007

Response: RFI-LUMA-MI-2019-0007-20231221-PREB-Attachment D-13

SUBJECT

Cost of energy purchased from thermal PPOAs

REQUEST

- A) In the Resumen Metricas file included in LUMA's October 31 Motion, the cost of energy purchased from thermal PPOAs numbers on the "T&D" tab are reported as less than \$0.10 /MWh. Please explain the reason for these low values and stated whether these are being reported in \$/kWh, despite the unit of measure column stating \$/MWh.

RESPONSE

- A) The reported values indeed originated as \$/kWh, leading to a discrepancy in the Resumen Métricas file included in LUMA's October 31 Motion. After recognizing this error, a meticulous revision of the data and calculations for the metric has been executed, ensuring that the values are now accurately presented according to the designated unit, which is \$/MWh. This rectification is included in the Resumen Métricas file submitted by LUMA on January 29, 2024, for the Second Quarter FY24 filing of the Legacy Metrics (NEPR-MI-2019-0007) and aims to provide a precise and consistent representation of the cost of energy purchased from thermal PPOAs, aligning with the unit of measure specified in the relevant tab.