

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

<b>NEPR</b>  <b>Received:</b>  <b>Feb 14, 2024</b>  <b>10:42 PM</b>
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**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 to Inform Withdrawal of  
Federally Funded Projects**

**MOTION TO INFORM WITHDRAWAL OF FEDERALLY FUNDED PROJECTS  
TO THE PUERTO RICO ENERGY BUREAU:**

**COME NOW LUMA Energy, LLC<sup>1</sup>**, and **LUMA Energy ServCo, LLC** (jointly referred to as “LUMA”), through the undersigned legal counsel and respectfully submit 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 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 26<sup>th</sup> 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 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.

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<sup>1</sup> Register No. 439372.

2. On April 14, 2021, PREPA filed a *Motion in Compliance with the Resolution and Order Entered on March 26, 2021*, which included a list of projects under the categories of transmission, distribution, and substations. PREPA submitted the list of projects to the Energy Bureau at least thirty (30) calendar days before their submittal to COR3 and/or FEMA, aligning with the March 26<sup>th</sup> Order. The list of projects submitted by PREPA included “FAASt Aguadilla Electric Service Center (Building).”

3. Then, on April 22, 2021, the Energy Bureau issued a Resolution and Order (“April 22<sup>nd</sup> Order”). It determined that additional information was required to thoroughly evaluate the projects submitted by PREPA and evaluate its compliance with the March 26<sup>th</sup> Order. The Energy Bureau ordered PREPA to provide detailed information: (i) on or before April 28, 2021, for each project already submitted to COR3 and/or FEMA; and (ii) on or before May 21, 2021, for each project in that will be submitted to COR3 and/or FEMA under the different project categories.

4. In compliance with the April 22<sup>nd</sup> Order, on April 28, 2021, PREPA filed a *Motion in Compliance with the Resolution and Order entered on April 22, 2021*. PREPA submitted the Scopes of Work (“SOW”) provided to COR3 and FEMA in compliance with the April 22<sup>nd</sup> Order. Among the SOWs submitted to this Energy Bureau was the “FAASt Aguadilla Electric Service Center (Building)” T&D Project.

5. On June 8, 2021, the Energy Bureau entered a Resolution and Order in which it determined that the majority of the SOWs for T&D projects submitted by PREPA were necessary to improve the system’s reliability (“June 8th Order”). Therefore, it approved the majority of the projects presented in the April 28<sup>th</sup> Submission, including the “FAASt Aguadilla Electric Service Center (Building)” T&D Project SOW. Further, the Energy Bureau ordered PREPA to submit a

copy of the approval of the projects by COR3 and/or FEMA, which shall contain the costs obligated for each project within ten (10) days of receiving such approval. It also ordered PREPA to provide the Energy Bureau with the actual contracted cost to construct each project within ten (10) days from the execution of the contract and inform the Energy Bureau once the projects are completed. Moreover, it instructed PREPA to seek the Energy Bureau's approval immediately if the scope of the project changes.

6. Thereafter, on August 30, 2021, LUMA filed a *Motion Requesting Clarification of a Portion of the Energy Bureau's Resolution and Order Entered on August 20, 2021, and Submitting Updated List of Transmission and Distribution Projects and Twenty-Nine Scope of Work* ("August 30th Motion"). In the August 30<sup>th</sup> Motion, LUMA submitted twenty-nine (29) SOWs for T&D Projects for the Energy Bureau's review and approval prior to submitting them to COR3 and FEMA. The SOWs submitted by LUMA included the "FAASt [Distribution Pole and Conductor Repair - Arecibo Group 17] (Distribution)," "FAASt [Distribution Pole and Conductor Repair -Mayagüez Group 20] (Distribution)," "FAASt [Distribution Pole and Conductor Repair - Bayamón Group 15] (Distribution)," "FAASt [Distribution Pole and Conductor Repair - Bayamón Group 16] (Distribution)," "FAASt [Distribution Pole and Conductor Repair -Mayagüez Group 21] (Distribution)," "FAASt [Distribution Pole and Conductor Repair - Ponce Group 24] (Distribution)," "FAASt [Distribution Pole and Conductor Repair – Mayagüez Group 23] (Distribution)"<sup>2</sup> T&D Projects.

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<sup>2</sup> The "FAASt [Distribution Pole and Conductor Repair - Arecibo Group 17] (Distribution)," "FAASt [Distribution Pole and Conductor Repair -Mayagüez Group 20] (Distribution)," "FAASt [Distribution Pole and Conductor Repair - Bayamón Group 15] (Distribution)," "FAASt [Distribution Pole and Conductor Repair - Bayamón Group 16] (Distribution)," "FAASt [Distribution Pole and Conductor Repair -Mayagüez Group 21] (Distribution)," "FAASt

7. On September 22, 2021, the Energy Bureau issued a Resolution and Order where it determined that most of the SOWs for T&D projects submitted by LUMA were necessary to improve the system’s reliability (“September 22nd Order”). Therefore, it approved most of the projects presented in the August 30<sup>th</sup> Motion, including the “FAASt [Distribution Pole and Conductor Repair - Arecibo Group 17] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Mayagüez Group 20] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Bayamon Group 15] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Bayamón Group 16] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Mayagüez Group 21] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Ponce Group 24] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Mayagüez Group 23] (Distribution)” T&D Projects SOWs. The Energy Bureau ordered LUMA to submit a copy of the approval of the projects by COR3 and/or FEMA, which shall contain the costs obligated for each project within ten (10) days of receiving such approval. It also ordered LUMA to provide the Energy Bureau with the actual contracted cost to construct each project within ten (10) days from the execution of the contract and inform the Energy Bureau once the projects are completed. Moreover, it instructed LUMA to seek the Energy Bureau’s approval immediately if the scope of the projects changes.

8. On January 24, 2022, LUMA filed a *Motion Submitting Updates List of Transmission and Distribution Projects and Three Scopes of Work*. In the January 24<sup>th</sup> Motion,

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[Distribution Pole and Conductor Repair - Ponce Group 24] (Distribution),” “FAASt [Distribution Pole and Conductor Repair – Mayagüez Group 23] (Distribution)” T&D Projects, were submitted as “Distribution Pole & Conductor Replacement,” which encompassed pole and conductor replacement projects throughout Puerto Rico but were later divided into individual projects per region.

LUMA submitted three (3) SOWs for T&D Projects for the Energy Bureau’s review and approval prior to submitting them to COR3 and FEMA. The SOWs submitted by LUMA included the “FAASt [Isla Grande 1101] (Substation)” T&D Project.

9. On March 15, 2022, the Energy Bureau issued a Resolution and Order where it determined that the SOWs for T&D projects submitted by LUMA were necessary to improve the system’s reliability (“March 15<sup>th</sup> Order”). Therefore, it approved the projects presented in the January 24<sup>th</sup> Motion, including the “FAASt [Isla Grande 1101] (Substation)” T&D Project. The Energy Bureau ordered LUMA to submit a copy of the approval of the projects by COR3 and/or FEMA, which shall contain the costs obligated for each project within ten (10) days of receiving such approval. It also ordered LUMA to provide the Energy Bureau with the actual contracted cost to construct each project within ten (10) days from the execution of the contract and inform the Energy Bureau once the projects are completed. Moreover, it instructed LUMA to seek the Energy Bureau’s approval immediately if the scope of the project changes.

10. Recently, LUMA has determined that to effectively implement the plans for the federally funded reconstruction of the T&D System, it would withdraw some of the T&D Projects SOWs that the Energy Bureau has already approved from FEMA consideration. This was done as a result of the iterative process between LUMA, COR3, and FEMA. LUMA works daily with COR3 and FEMA to prioritize the most impactful projects. As LUMA regularly refines its strategy to support the most impactful work and the best approach to pursue FEMA obligation, LUMA has identified nine (9) projects being de-emphasized as part of a new approach. Now, most of these projects are being integrated into other SOWs that will be submitted for approval at a later date.

Other projects may be reintroduced into the grid impact strategy as additional funding is identified in the future.

11. For example, among the projects being de-emphasized is the “FAASt [Isla Grande 1101] (Substation)” T&D Project. It is expected that this substation project will be integrated into a larger project that is being considered for submittal at a later date.

12. Relatedly, “FAASt [Distribution Pole and Conductor Repair - Arecibo Group 17] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Mayagüez Group 20] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Bayamón Group 15] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Bayamón Group 16] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Mayagüez Group 21] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Ponce Group 24] (Distribution),” “FAASt [Distribution Pole and Conductor Repair - Mayagüez Group 23] (Distribution)” T&D Projects have been submitted to FEMA, after this Energy Bureau’s approval, in smaller groups, but are now being submitted in larger groups to increase efficiencies in the obligation process before the federal agency.

13. Similarly, the “FAASt Aguadilla Electric Service Center (Building)” T&D Project will be integrated into a larger SOW.

14. LUMA hereby informs the Energy Bureau that other projects are being re-prioritized and may be resubmitted to better align the timing of approvals with construction plans. The aforementioned approach should also help to reduce changes in scope following approval and before deployment.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned.

**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](mailto:lionel.santa@prepa.pr.gov), and to Genera PR LLC, through its counsel of record, Jorge Fernández-Reboredo, [jfr@sbglaw.com](mailto:jfr@sbglaw.com) and Alejandro López Rodríguez, [alopez@sbglaw.com](mailto:alopez@sbglaw.com).

In San Juan, Puerto Rico, on the 14<sup>th</sup> of February, 2024.



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