

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

NEPR
Received:
Feb 20, 2024
11:02 PM

IN RE:

REGISTRO ACTUALIZADO DE
PROYECTOS APROBADOS POR EL
NEGOCIADO DE ENERGÍA DE LA
JUNTA REGLAMENTADORA DE
SERVICIO PÚBLICO DE PUERTO RICO

CASE NO. NEPR-MI-2024-0001

SUBJECT: Motion Requesting Extension of Time to Submit First Status Report and Request to Align the Filing of the Status Reports with the Filing of the Quarterly Reports

**MOTION REQUESTING EXTENSION OF TIME TO SUBMIT
FIRST STATUS REPORT AND REQUEST TO ALIGN THE FILING OF THE
STATUS REPORTS WITH THE FILING OF THE QUARTERLY REPORTS**

TO THE PUERTO RICO ENERGY BUREAU:

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

1. On March 26, 2021, the Puerto Rico Energy Bureau (“Energy Bureau”) issued a Resolution and Order in Case No. NEPR-MI-2021-0002, ordering the Puerto Rico Electric Power Authority (“PREPA”), among other things, “to submit to the Energy Bureau each new capital investment project [... and] [f]or projects to be funded with [Federal Emergency Management Agency (“FEMA”)] funds and/or any other federal funds, [... to] submit the specific projects to the Energy Bureau at least thirty (30) calendar days prior to its submittal to [the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency (“COR3”)], FEMA and/or any other federal agency.” (“March 26th 10-Year Plan Order”). *See* March 26th 10-Year Plan Order at p. 19. In connection with FEMA 428 funds, the Energy Bureau also ordered PREPA to “continue reporting

¹ Register No. 439372.

² Register No. 439373.

to the Energy Bureau and FEMA, within the next five (5) years, the progress of all ongoing efforts related to the final approval of the submitted projects not yet approved by the Energy Bureau.” *Id.*³

2. On May 31, 2021, this Energy Bureau issued and published a Resolution and Order approving LUMA’s Initial Budgets in Case NEPR-MI-2021-0004 (“May 31st Initial Budgets Resolution and Order”).

3. In the May 31st Initial Budgets Resolution and Order, the Energy Bureau listed certain “requirements for LUMA to fulfill during the Interim Period and going forward,” including, among others, requirements for reporting on the Initial Budgets spending amounts and federal funding activity. With respect to the reporting on the Initial Budgets, the May 31st Resolution provided, in Section IV, paragraph 2, that:

LUMA shall provide quarterly reports to the Energy Bureau detailing Initial Budget spending amounts, broken out by spending initiative, and detailing any variances from the Initial Budget filing. These reports should also include detail allowing the Energy Bureau to assess funding, withdrawals and outstanding balances in the Operating Budget, the Capital Budget and the Generation Budget Accounts outlined in the [Puerto Rico Transmission and Distribution System Operation and Maintenance Agreement executed among the Puerto Rico Electric Power Authority (“PREPA”), LUMA and the Puerto Rico Public Private Partnerships Authority (“P 3 Authority”) dated as of June 22, 2020 (“T&D OMA”)].

May 31st Initial Budgets Resolution and Order at p. 36.

4. On July 16, 2021, this Energy Bureau issued a Resolution and Order in Case NEPR-MI-2021-0004 (the “July 16th Initial Budgets Resolution and Order”) in which it modified the federal funding reporting requirements under the May 31st Initial Budgets Resolution and Order to provide as follows:

³ This Energy Bureau thereafter confirmed that this directive applied to both PREPA and LUMA. *See* Resolution and Order of August 20, 2021, at p. 3.

LUMA shall submit to the Energy Bureau, on a quarterly basis, summary reports outlining federal funding activity. These summary reports shall include aggregated information showing the cumulative amount of federal funding applied for by LUMA and/or PREPA, broken out by the source of such funding, the incremental amount of federal funding applied for in the reporting quarter, and both the cumulative and monthly amount of federal funding received.

July 16th Resolution and Order at p. 6.

5. In alignment with the quarterly reporting requirements in Case NEPR-MI-2021-0004, LUMA submits a Quarterly Federal Funding Report to the Energy Bureau each quarter, with an update on federal funding activities for the respective quarter. The Federal Funding Report details the status of Federally-Funded Transmission and Distribution Projects for each quarter, including the number of projects and estimated costs, as well as the status of federal funding reimbursements.

6. On February 8, 2024, this Honorable Puerto Rico Energy Bureau (“Energy Bureau”) issued a Resolution and Order opening the instant proceeding and instructing LUMA, the Puerto Rico Electric Power Authority (“PREPA”), and Genera PR, LLC (“Genera”) to file the first status report of all the projects approved by the Energy Bureau, regardless of whether they are financed with state, federal, or ratepayer funds, on or before February 23, 2024 (“February 8th Order”). Further, the Energy Bureau ordered LUMA, PREPA, and Genera to submit quarterly progress reports for the update, monitoring, and effective management of such projects, to be submitted by March 31, June 30, September 30, and December 31 each year, including the current year. For such purposes, the Energy Bureau provided a status report format in an Excel spreadsheet.

7. Considering the information to be provided in the first status report emanates from the same information presented in the other quarterly reporting requirements in Case NEPR-MI-

2021-0004, it would be more efficient to leverage and combine the existing processes. A concurrent process would allow LUMA to collect and validate the information at the same time, minimizing business interruption and improving cross-functional coordination, as well as guaranteeing accuracy and consistency across all reports. As such, LUMA requests the Energy Bureau to align the first status report requested by the Energy Bureau in the February 8th Order to coincide with the reporting requirements corresponding to the third quarter of Fiscal Year 2024.

8. LUMA is currently gathering the necessary information to complete the first status report as the February 8th Order instructed. However, LUMA has several constraints that make it impossible to complete such a task by the due date of February 23, 2024. The Energy Bureau has approved in excess of three hundred and eighty (380) FEMA projects⁴ alone, in addition to the hundreds of Non-Federally Funded Capital and Operating and Maintenance (“O&M”) Projects for which information needs to be compiled and validated. Most of the information requires cross-functional coordination between teams working in Capital Programs, Finance, and Regulatory at LUMA and the validation required from Improvement Program owners in the remaining departments. Given the complexity and the number of personnel needed to prepare, write, and review this new report, LUMA could not complete it by the deadline. In view of the above and the need to allow for proper planning time to align processes to support this new and additional reporting requirement, LUMA respectfully reiterates that it will require additional time to complete the first status report requested in the February 8th Order.

⁴ The Energy Bureau has reviewed and approved 208 initial scopes of work (SOWs) for projects and programs. These programs' initial SOWs are presented to PREB, divided into multiple projects, and initiated with FEMA. For example, the Streetlight Program's initial SOW presented to the Energy Bureau was for the entirety of Puerto Rico. However, this program will be divided into over 78 projects.

9. As part of our commitment to transparency and to comply with the requirements under the T&D OMA, the Fiscal Oversight and Management Board (“FOMB”), and this Energy Bureau, LUMA currently provides a high volume of information on a monthly, quarterly, and annual basis in a variety of publicly-available reports. During the last week, LUMA has produced nearly one hundred (100) pages of reports, including detailed information on revenues, budget by Department, actual spending for operational and capital expenditures, updates on twenty-six (26) individual Improvement Programs, as well as additional information and context on electric system operations, regulatory filings, legislative activities affecting T&D O&M Services, significant litigation, and material contractual matters. Every quarter, LUMA also provides data on more than eight hundred forty-one (841) legacy individual performance metrics and operating statistics, and interconnection of distributed generation, Electric Vehicle programs, energy efficiency, and demand response.

10. In view of the above, LUMA respectfully requests the Energy Bureau to align the first status report and subsequent reporting requirements in this instant proceeding with the quarterly reporting requirements in Case NEPR-MI-2021-0004 and, thus, concede an extension until April 15, 2024, to file the first status report on all the projects approved by the Energy Bureau to coincide with the reporting requirements corresponding to the third quarter of Fiscal Year 2024.

11. This extension and alignment request is in good faith and is not intended to cause unnecessary delay. LUMA remains committed to complying with the orders issued by the Energy Bureau.

WHEREFORE, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned; **grant** the request to align the first status report and subsequent reporting

requirements in this instant proceeding with the quarterly reporting requirements in Case NEPR-MI-2021-0004 and, thus, concede an extension until April 15, 2024, to file the first status report on all the projects approved by the Energy Bureau to coincide with the reporting requirements corresponding to the third quarter of Fiscal Year 2024.

RESPECTFULLY SUBMITTED.

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

In San Juan, Puerto Rico, on the 20th of February 2024.



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