

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

IN RE: REVIEW OF LUMA'S INITIAL
BUDGETS

CASE NO.: NEPR-MI-2021-0004

SUBJECT: Resolution and Order for *Urgent Request for Additional Extension of Time to Submit FY2025 System Budgets*, filed by LUMA.

RESOLUTION AND ORDER

On March 14, 2024, the Energy Bureau of the Puerto Rico Public Service Board ("Energy Bureau") issued a Resolution and Order ("May 14 Resolution"), through which, the Energy Bureau, to avoid doubt, ordered LUMA¹ to file the FY2025 consolidated annual budget proposals by April 15, 2024.²

On April 7, 2024, LUMA filed a document titled, *Informative Motion on Status of FY 2025 Budget Allocation Discussion and Request for Additional Time to Conclude Discussion on the Fiscal Year 2025 Consolidated Budget* ("April 7 Motion"), through which LUMA requested that the Energy Bureau grant additional time, until May 15, 2024, to file the FY 2025 Consolidated Budget.

On April 9, 2024, the Energy Bureau issued a Resolution and Order ("April 9 Resolution") granting LUMA's April 7 Motion by extended the deadline to submit the FY2025 Consolidated Annual Budgets until May 15, 2024.

On May 15, 2024, LUMA filed a document titled *Urgent Request for Additional Extension of Time to Submit FY2025 System Budgets* ("May 15 Request"), in which LUMA requests an additional extension of time until May 20, 2024 to allow the P3 Authority³ to notify the parties of its allocation determination and any additional work that may require such P3 Authority determination.⁴ In the May 15 Request, LUMA suggests that PREPA⁵ should have to separately file directly with the Energy Bureau the budgets for its subsidiaries, other than HydroCo.⁶

In the May 15 Request LUMA alleges that all the parties are working together to support the P3 Authority task to determine the FY2025 Budget Allocation, which to date has not occurred. Hence, the FY2025 System Budget remains under review and subject to modifications pending the P3 Authority determination on the budget allocation.⁷

LUMA states in the May 16 Request it intends to file FY2025 T&D budget and the FY2025 GenCo Budget, as developed by LUMA and Genera PR LLC ("Genera") respectively. LUMA will also include the HydroCo Budget, without mentioning which party shall develop this budget. LUMA asserts that the above intention is "Contemplated in both the T&D OMA and the PGHOA."⁸ Based on that assertion, LUMA suggests that PREPA should file directly with the Energy Bureau the budgets for its subsidiaries, other than HydroCo.

¹ LUMA Energy LLC and LUMA Energy ServCo LLC (jointly referred as, "LUMA").

² March 14 Resolution, pp. 3-4.

³ Public-Private Partnership Authority ("P3 Authority").

⁴ May 15 Request, p. 3, ¶ 7.

⁵ Puerto Rico Electric Power Authority ("PREPA").

⁶ May 15 Request, p. 3, ¶ 8.

⁷ May 15 Request, pp. 2-3, ¶ 5.

⁸ May 15 Request, p. 3, ¶ 8.



The Energy Bureau **REJECTS** LUMA's recommendation for PREPA to file its subsidiaries budget, such as HoldCo, separate from the FY2025 Consolidated Budget. LUMA **SHALL** file the FY2025 Consolidated Budget in the same manner in which LUMA filed its FY2024 Consolidated Budget on May 16, 2023 in the instant case⁹, which includes the budgets for GenCo, HydroCo, Holdco and its T&D Budget (jointly referred as, "Budgets").

The Energy Bureau reviewed LUMA's extension request and determined that LUMA's request is reasonable. LUMA must comply with its responsibility to provide supporting material and workpapers at the time of budget submission as previously ordered by the Energy Bureau.¹⁰

The Energy Bureau **GRANTS** LUMA's request to extend the deadline to file the proposed FY2025 Consolidated Annual Budgets **until May 20, 2024**.

The Energy Bureau **WARNS** LUMA, Genera, and PREPA that:

- (i) noncompliance with this Resolution and Order, regulations and/or applicable laws may carry the imposition of fines and administrative sanctions of up to \$25,000 per day;
- (ii) any person who intentionally violates Act 57-2014, as amended, by omitting, disregarding, or refusing to obey, observe, and comply with any rule or decision of the Energy Bureau shall be punished by a fine of not less than five hundred dollars (\$500) nor over five thousand dollars (\$5,000) at the discretion of the Energy Bureau; and
- (iii) for any recurrence of non-compliance or violation, the established penalty shall increase to a fine of not less than ten thousand dollars (\$10,000) nor greater than twenty thousand dollars (\$20,000), at the discretion of the Energy Bureau.

Be it notified and published.


Lillian Mateo Santos
Associate Commissioner


Sylvia B. Ugarte Araujo
Associate Commissioner


Antonio Torres Miranda
Associate Commissioner



⁹ In re: Review of LUMA's Initial Budgets, Case No. NEPR-MI-2021-0004, Submission of Consolidated Annual Budgets for Fiscal Year 2024 and Proposed Annual T&D Projection through Fiscal Year 2026, filed by Luma on May 16, 2023.

¹⁰ Resolution and Order, In re: Review of LUMA's initial Budget, Case No. NEPR-MI-2021-0004, issued on March 25, 2022, p. 3.

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau agreed on May 16, 2024. Chairman Edison Avilés Deliz and Associate Commissioner Ferdinand A. Ramos Soegaard did not intervene. Also certify that on May 16, 2024, I have proceeded with the filing of this Resolution and Order and was notified by email to pre@promesa.gov; margarita.mercado@us.dlapiper.com; julian.angladapagan@us.dlapiper.com; mvalle@gmlex.net; arivera@gmlex.net; legal@genera-pr.com; regulatory@genera-pr.com; jfr@sbgblaw.com; alopez@sbgblaw.com.

I sign in San Juan, Puerto Rico, today, May 16, 2024.


Sonia Seda Gaztambide
Clerk

