

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

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IN RE: REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY
INTEGRATED RESOURCE PLAN

CASE NO.: NEPR-AP-2023-0004

SUBJECT: Motion Requesting
Reconsideration of Resolution and Order
dated August 20, 2024, and Modification of
the IRP Filing Schedule

**MOTION REQUESTING RECONSIDERATION OF THE RESOLUTION AND ORDER
DATED AUGUST 20, 2024, AND MODIFICATION OF THE
IRP FILING SCHEDULE**

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC (“ManagementCo”), and **LUMA Energy ServCo, LLC** (“ServCo”), (jointly referred to as “LUMA”), and respectfully state and request the following:

I. Introduction

1. LUMA is committed to supporting and advancing the transformation of Puerto Rico’s energy system into one that is more resilient, cleaner, and sustainable for everyone. As operator of the transmission and distribution system, LUMA is responsible for developing an Integrated Resource Plan (IRP) that maps out the transformation of the island’s energy resources over the next two decades. LUMA’s goal is to ensure that the Integrated Resource Plan (“IRP”) presents a diverse and analytically robust set of future scenarios and resource portfolios in order to map a sustainable and reliable energy future for Puerto Rico that is responsive to customer needs and Puerto Rico energy public policy objectives. Typically, an IRP process can take several years to complete. Given the complexities and specific ongoing challenges unique to Puerto Rico, and LUMA’s absolute commitment to getting the IRP right for our customers, LUMA requested more time from the Puerto Rico Energy Bureau (“Energy Bureau”) to conduct the additional analysis

and review. This additional time will help ensure the IRP meets regulatory requirements and reflects the energy priorities of our customers, while reliably and responsibly progressing toward Puerto Rico’s clean energy goals at the most reasonable cost.

2. The present motion is submitted to request the Energy Bureau to reconsider the Resolution and Order of August 20, 2024, denying LUMA’s request to file the IRP on May 16, 2025. As such, the Energy Bureau declined to adopt LUMA’s proposed revised IRP schedule, which considered the necessary time to thoughtfully and accurately develop the IRP and complete the modeling and scheduled tasks to submit all scenarios together (“August 20th Order”).¹ In the August 20th Order, the Energy Bureau instructed LUMA to file the Preferred Resource Plan and other requirements by no later than November 29, 2024. Further, the Energy Bureau ordered LUMA to file certain transmission and distribution-related requirements by no later than February 28, 2025.

3. As discussed in extensive detail in the *Motion Requesting the Continuance of the Deadline for the 2024 IRP Filing filed on June 7, 2024* (“June 7th Motion”), and the *Motion in Compliance with Resolution and Order of June 18, 2024, and Submitting Second Revised IRP Filing Schedule* filed on June 28, 2024 (“Revised IRP Schedule Filing” and/or “June 28th Motion”), LUMA and its technical consultant encountered unexpected and unforeseeable difficulties with the modeling software that delayed the IRP Filing. Unforeseen modeling issues delayed modeling processes to produce an IRP compliant with Applicable Law, including Act 57-2014, Act 17-2019, and the Energy Bureau Regulation Number 9021, Regulation on Integrated Resource Plan for the Electric Power Authority (“Regulation 9021”).

¹ The revised IRP Schedule was submitted on June 28, 2024 in a motion entitled *Motion in Compliance with Resolution and Order of June 18, 2024 and Submitting Second Revised IRP Filing Schedule*.

4. Following the August 20th Order, LUMA requested that the Energy Bureau schedule an in-person confidential Technical Conference to offer the Energy Bureau detailed insight into the status of the IRP and the complexities and challenges encountered while modeling the proposed scenarios.

5. On September 18, 2024, a Confidential Technical Conference was held before the Energy Bureau (“September 18th Conference”). Therein, LUMA appeared with its technical consultant for the IRP, a team with decades of experience modeling IRP scenarios. LUMA explained the constraints when modeling the base case and that many of the issues kept arising subsequently or after having resolved one encountered initially without the ability to fix them in parallel. The unforeseeable challenges experienced dramatically impacted the envisioned initial timeline. Notwithstanding, LUMA, and its technical consultant explained that they had resolved the issues, achieved a preliminary base case, and were confident in filing a complete and robust IRP by May 2025.

II. Procedural Background

6. In view of the arguments stated in previous filings, including the June 7th Motion and the Revised IRP Schedule Filing, as well as the discussions in the September 18th Conference, LUMA respectfully requests that the Energy Bureau reconsider the August 20th Order and allow a modification of the timeline for the IRP Filing pursuant to which LUMA would file the IRP on May 16, 2025. This would grant LUMA the necessary time to thoughtfully and accurately develop the IRP and complete the modeling and scheduled tasks. LUMA also proposes, as part of its commitment to transparency, to submit, during two interim milestones November 27, 2024, and February 25, 2025, information on the progress of the deliverables for the IRP Filing expected on May 16, 2025.

7. On July 12, 2023, the Energy Bureau issued a Resolution and Order whereby it initiated the instant administrative proceeding for the review of the proposed IRP to be filed by LUMA as the agent for the Puerto Rico Electric Power Authority (“PREPA”) (“July 12th Order”).

8. An initial Prefiling Technical Conference was held on August 8, 2023. During the initial Technical Conference, LUMA anticipated the possibility of modifying the IRP submission date to account for the delays in its technical consultant's contracting process.

9. On August 30, 2023, LUMA filed a *Motion Submitting Revised Version of Exhibit I of Final Contract for Technical Consultant and Related Documents, Request for Approval of Final Contract, and Request for Confidential Treatment* whereby, in what is pertinent, it submitted a revised Exhibit I in the terms discussed during the Technical Conference and requested that the Energy Bureau approve the revised version of Exhibit I of the technical consultant contract.

10. On September 7, 2023, the Energy Bureau issued a Resolution and Order approving the revised technical contract between LUMA and the technical contractor and scheduled a second IRP prefiling conference for October 31, 2023.

11. The second pre-filing Technical Conference was held on October 31, 2023. During the same, LUMA discussed the Presentation and answered the questions posed by the members of the Energy Bureau. LUMA also had the opportunity to introduce its technical consultant for the IRP filing (hereinafter, the “IRP Technical Consultant”).

12. During the second pre-filing Technical Conference, LUMA proposed the revised IRP filing date of June 28, 2024.

13. On November 14, 2023, LUMA filed a *Request for Modification of Timeline for 2024 IRP Filing*. LUMA included the revised timeline with a summary of the explanations supporting LUMA's request. LUMA respectfully set forth that, per its discussion with the IRP

Technical Consultant and based on the technical consultant's vast experience, the normal scope of a regular IRP will typically require approximately nine (9) to twelve (12) months to complete. LUMA also explained that complexities in the planned scope of work for the IRP, which includes eight separate planning areas as opposed to the more common single planning area, integrated transmission modeling, and distributed energy resource modeling, as well as the transmission and distribution areas and additional sensitivities that will be considered, required extra time to develop and file the IRP.

14. On December 20, 2023, the Energy Bureau issued a Resolution and Order approving LUMA's request for an extension to file the IRP to June 28, 2024. Further, the Energy Bureau scheduled a third technical conference for January 30, 2024, for LUMA to present information on certain parts of the transmission sections of Regulation No. 9021.

15. On March 11, 2024, LUMA filed a Motion Submitting Revised 2024 Integrated Resource Plan Scenarios and Characteristics. Therein, LUMA submitted its LUMA 2024 IRP, Revised Scenarios and Characteristics, the six (6) scenarios ("Core Scenarios") that will form a key part of its IRP modeling analysis, which will be filed as part of LUMA's IRP submission. It also included four (4) scenarios ("Supplemental Scenarios") that would be filed in a Supplemental Filing. LUMA also explained that the exercise of revising the scenarios caused a temporary halt in the modeling of the base case scenario 1.

16. In the March 13th Order, the Energy Bureau confirmed that LUMA could continue modeling the six (6) Core Scenarios for its IRP filing scheduled for June 28, 2024. It also ordered LUMA to submit the applicable evaluation and analysis concerning the Supplemental Scenarios on or before August 1, 2024.

17. On June 7, 2024, LUMA requested a continuance of the IRP filing date of June 28, 2024. In said June 7th Motion LUMA requested until June 28, 2024, to submit an updated schedule of the IRP Filing, provided the base case resource plan has been completed.

18. On June 18, 2024, the Energy Bureau granted LUMA's request to suspend the filing date of June 28, 2024 ("June 18th Order"). It authorized LUMA to file the Supplemental scenarios no later than five weeks after the core scenarios are filed. Furthermore, the Energy Bureau ordered LUMA to file by no later than June 28, 2024, an expected date on which the IRP will be filed with all completed sections and work papers.

19. On June 28, 2024, LUMA submitted the Revised IRP Schedule Filing. LUMA requested that the date to file the IRP be extended to May 16, 2025 to reflect the modeling challenges experienced thus far and to account for the time necessary time to complete and develop the IRP in compliance with Applicable Law, including conducting all assessments, stakeholder engagement and development of supporting materials necessary for a complete filing.

20. On August 20, 2024, the Energy Bureau denied LUMA's request to file the IRP on May 16, 2025. As such, the Energy Bureau declined to adopt LUMA's proposed revised IRP schedule, which considered the necessary time to thoughtfully and accurately develop the IRP and complete the modeling and scheduled tasks in order to submit all scenarios together. In the August 20th Order, the Energy Bureau instructed LUMA to file the Preferred Resource Plan and salient components of Regulation 9021 requirements by no later than Friday, November 29, 2024. Further, the Energy Bureau ordered LUMA to file certain transmission and distribution-related requirements of Regulation 9021 by no later than February 28, 2025.

21. On September 11, 2024, LUMA filed a *Motion Requesting a Confidential Technical Conference*. Therein, LUMA requested the Energy Bureau to schedule an in-person

Technical Conference to offer the Energy Bureau detailed insight into the status of the IRP and the complexities and challenges encountered while modeling the proposed scenarios. LUMA offered the week of September 17-20, 2024, given the impending deadlines established in the August 20th Order.

22. On September 16, 2024, the Energy Bureau issued a Resolution and Order scheduling the requested Confidential Technical Conference for September 18, 2024, at 10 a.m.

23. On September 18, 2024, the Confidential Technical Conference was held before the Energy Bureau. LUMA explained the constraints faced when modeling the base case and that not all issues arose simultaneously; thus, LUMA and the Technical Consultant could not fix the issues simultaneously. Notwithstanding, LUMA explained that measures were implemented to resolve the issues and that having resolved the issues, it achieved a preliminary base case and had developed a work plan and path forward to place LUMA in a position to complete a robust IRP by May 16, 2025. LUMA also identified certain factors that could affect its timeline while expressing confidence and commitment to work transparently to file a proposed IRP in May 2025.

III. Request for Reconsideration of the Timeline for IRP Filing

24. As discussed in the June 7th and 28th Motions and the September 18th Conference, LUMA and its IRP Technical Consultant have worked tirelessly to ramp up the development of the base case and the scenarios to submit a solid IRP in the initially established timeline. New resources have been added, ranging from doubling the size of the team to adding more equipment and capacity to the equipment used. During June 2024, it became evident that it would be impossible to achieve an IRP by the deadline fixed by the Energy Bureau. Diligently, LUMA informed the Energy Bureau with detailed explanations from its IRP Technical Consultant, in which the challenges encountered were thoroughly described, and the mitigation measures adopted

to minimize the delay. *See* June 7th Motion. LUMA then proposed an IRP revised schedule with a May 16, 2025 deadline to submit the IRP filing based on the learnings and the intention of delivering an IRP in the shortest period but as comprehensively as possible. *See* June 28th Motion.

25. The proposed revised schedule is consistent with experiences in other jurisdictions that, as LUMA has identified, have similar planning horizons and spend between eighteen (18) to twenty-four (24) months to develop IRPs. *See* June 7th and 28th Motions. At the September 18th Conference, the IRP Technical Consultant explained that according to its experience, challenges in the modeling processes are not uncommon and, depending on the peculiarities of each jurisdiction and the legal and regulatory requirements, they tend to delay IRP processes for months at its worst.

26. LUMA takes the IRP process very seriously, intending at all times to provide a reliable IRP that reflects a robust modeling exercise. For those reasons, at the September 18th Conference, LUMA proposed to the Energy Bureau a revised schedule with a series of interim milestones with various deliverables to be achieved before the IRP Filing submission on May 16, 2025.

27. Albeit with some modifications to the proposed revised schedule discussed at the September 18th Conference, LUMA reiterates its proposal to provide the Energy Bureau information at two interim milestone dates, the first on November 27, 2024. The second is on February 28, 2025, to share preliminary findings and demonstrate the progress of the IRP Filing. LUMA will provide the information and results that have been completed and estimates that preliminary deliverables will be completed and filed with the Energy Bureau on the dates specified. These two interim milestones are the best estimates and were conceived by LUMA as part of its interest in keeping the Energy Bureau informed of the progress of IRP-related tasks and to show

its commitment to presenting a complete and solid submission that can be ultimately evaluated as part of the adjudicative process.

28. For the first interim milestone for November 27, 2024, LUMA proposes to submit to the Energy Bureau: (i) input assumptions and results describing the least cost resource portfolios for scenarios number 1 through 4; (ii) information on the existing LUMA Transmission, Distribution and Advanced Grid Control facilities and equipment as described in Section 2.03(J)(1)(a)-(c) of Regulation 9021; and (iii) a summary qualitative description of how LUMA expects planned transmission facilities will support its Preferred Resource Plan.

29. As to the second interim milestone for February 28, 2025, LUMA proposes to submit to the Energy Bureau: (i) input assumptions and results describing the least cost resource portfolios for scenarios number 5 through 10 and resource portfolio number 11²; (ii) uncertainty analysis results for the least cost resource portfolios for scenarios number 1 through 6 and resource portfolio number 11; (iii) sensitivities of the resource portfolios; (iv) results from the stakeholder meetings held to share preliminary results and seek feedback prior to the selection of the Preferred Portfolio; (v) LUMA's recommended Preferred Portfolio; and (vi) summary description of the Preferred Portfolio.

30. LUMA expects that on May 16, 2025, it may file the IRP Report in compliance with Regulation 9021, as modified by any exception approved by the Energy Bureau. The proposed filing date accounts for continued difficulties based on current experience.

31. LUMA respectfully submits that the revised schedule will allow LUMA to submit an IRP Filing that is built upon accurate and comprehensive data and analyses and reflects the

² Resource portfolio number 11 is a resource portfolio developed by LUMA that attempts to improve upon the objective results relative to the other portfolios.

needs and priorities of customers, while reliably and cost-effectively progressing towards a more reliable, resilient, and cleaner energy system, and places the Energy Bureau in a position to conduct a thorough review that leads to an executable resource plan.

WHEREFORE, LUMA respectfully requests the Energy Bureau to **take notice** of the foregoing, **reconsider** the August 20th Order, and **adopt** the revised schedule stated herein, including the proposal to file the IRP Report on May 16, 2025.

RESPECTFULLY SUBMITTED.

WE HEREBY CERTIFY that this Motion was filed using the electronic filing system of this Energy Bureau and that electronic copies of this Motion will be notified to the Puerto Rico Electric Power Authority: lionel.santa@prepa.pr.gov and through its attorneys of record González & Martínez, Mirelis Valle-Cancel, mvalle@gmlex.net; and Alexis G. Rivera Medina, arivera@gmlex.net; and Genera PR, LLC: brannen@genera-services.com; kbolanos@genera-pr.com; regulatory@genera-pr.com.

In San Juan, Puerto Rico, on September 27, 2024.



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