

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

IN RE: PRIORITY PLAN FOR THE  
STABILIZATION OF THE ELECTRIC GRID

CASE NÚM.: NEPR-MI-2024-0005

SUBJECT: Resolution and Order imposing  
administrative fine for noncompliance of  
June 13 Resolution and July 5 Order.

RESOLUTION AND ORDER

I. Factual Background

On June 13, 2024, the Energy Bureau of the Puerto Rico Public Service Regulatory Board ("Energy Bureau") issued a Resolution and Order ("June 13 Resolution"), through which, the Energy Bureau ordered the Puerto Rico Electric Power Authority ("PREPA")<sup>1</sup>, Genera PR, LLC ("Genera") and LUMA<sup>2</sup> to each develop **within twenty (20) days** an "aggressive preliminary plan of improvements to the electric system" ("Preliminary Plan") within a maximum implementation period of two (2) years.<sup>3</sup> All the parties requested extension to the twenty (20) days deadline.

On July 5, 2024, the Energy Bureau issued a Resolution and Order ("July 5 Order"), through which, the Energy Bureau stated that the recent constant registered outages have caused significant suffering to the people of Puerto Rico, affecting quality of life, and economic losses to customers, including commercial and industrial companies. The July 5 Order states **urgency** required to identify, and mitigate the outages to assure a safe, reliable and efficient electric system.<sup>4</sup> The Energy Bureau ordered LUMA, Genera and PREPA **to show cause**, on or before July 10, 2024, for which the Energy Bureau does not impose an administrative fine up to \$25,000.00 for each day of delay in the presentation of their respective Plan.

On July 8, 2024, Genera filed a document titled *Moción en Cumplimiento de Orden y Sometiendo Plan Preliminar de Estabilización del Sistema Eléctrico* ("July 8 Motion"), in which Genera filed its Preliminary Plan ("Genera's Preliminary Plan").

On July 10, 2024, LUMA filed a document titled *Motion in Compliance with Order to Show Cause of July 4, 2024 and Submitting Preliminary Plan Draft Required by the Resolution and Order of June 13, 2024* ("July 10 Motion"), in which LUMA filed its Preliminary Plan ("LUMA's Preliminary Plan").

On July 19, 2024, PREPA filed a document titled *Moción en Cumplimiento* ("June 19 Motion"), in which PREPA filed its Preliminary Plan ("PREPA's Preliminary Plan").

On July 19, 2024, LUMA filed a document titled *Motion Submitting Updated Preliminary Plan* ("LUMA's Updated Preliminary Plan"), in which LUMA revised information from the LUMA Preliminary Plan, such as, included information regarding the metering infrastructure,

<sup>1</sup> Puerto Rico Electric Power Authority ("PREPA")

<sup>2</sup> LUMA Energy LLC and LUMA Energy ServCo LLC (jointly referred as, "LUMA").

<sup>3</sup> June 13 Resolution, p. 2.

<sup>4</sup> July 5 Order, p. 1.



system improvements benefits and a map with planned substation and transmission projects.<sup>5</sup>

On August 9, 2024, the Energy Bureau issued a Resolution and Order (“August 9 Order”), establishing the following Procedural Schedule:<sup>6</sup>

Date	Time	Event
September 9, 2024	2:00 p.m.	Filing of LUMA’s, Genera’s and PREPA’s presentations for the Virtual Technical Workshop
September 11, 2024	10:00 a.m.	Virtual Technical Workshop with LUMA, Genera, PREPA and stakeholders.
September 25, 2024	2:00 p.m.	Filing of any Revised and/or additional information required by the Energy Bureau
October 2, 2024	10:00 a.m.	Virtual Public Hearing
October 8, 2024	2:00 p.m.	Filing of comments by the General Public.

On August 13, 2024, Genera filed a document titled *Motion Requesting Partial Modification of Scheduling Order* (“August 13 Motion”), in which it states that through an email dated July 30, 20[2]4, Genera’s Chief Regulatory Officer will be outside of the jurisdiction during September 9-17, 2024, even if conducted by remote means.<sup>7</sup> Genera request that the Virtual Technical Workshop be rescheduled for dates after September 17, 2024, such suggested dates as September 18, 23, 24 or 25, 2024. Genera requests, as an alternative, that a separate Virtual Technical Workshop be scheduled to solely discuss Genera’s Preliminary Plan on one of the suggested dates if the original date for the Virtual Technical Workshop is not modified.<sup>8</sup>

On August 23, 2024, the Energy Bureau issued a Resolution and Order DENYING Genera’s August 13 Motion request. The Energy Bureau maintained unaltered the Procedural Calendar established in the August 9 Order.

On August 23, 2024, the Energy Bureau issued a Resolution and Order (“August 23 Order”) imposing an administrative fine of \$500.00 for each day in which LUMA, Genera and PREPA delayed the presentation of their respective Preliminary Plans and ordered the payment of the administrative fine within twenty (20) days. The August 23 Order imposed an administrative fine of \$2,500 to Genera, \$3,500 to LUMA and \$8,000 to PREPA, respectively.

On August 27, 2024, PREPA submitted a document titled *Moción de Reconsideración de Resolución de Orden emitida el 23 de agosto de 2024* (“August 27 Motion”), in which PREPA requested the Energy Bureau to reconsider and void the administrative fine imposed for delaying the presentation of their respective Preliminary Plan.

On September 11, 2024, Genera submitted a document titled *Motion in Compliance with Resolution and Order of August 23, 2024* (“September 11 Motion”), through which Genera informed the Energy Bureau payment of their \$2,500.00 administrative fine imposed for presenting its Preliminary Plan five (5) days after the July 3, 2024 deadline.

On September 12, 2024, LUMA submitted a document titled *Motion in Compliance with Resolution and Order Issued on August 23, 2024* (“September 12 Motion”), through which

<sup>5</sup> LUMA’s Updated Preliminary Plan, p. 4, ¶ 11.

<sup>6</sup> August 9 Order, p.2.

<sup>7</sup> August 13 Motion, p. 1, ¶ 2.

<sup>8</sup> August 13 Motion, p. 2





LUMA informed the Energy Bureau payment of their \$3,500 administrative fine imposed for presenting its Preliminary Plan seven (7) days after the July 3, 2024 deadline.

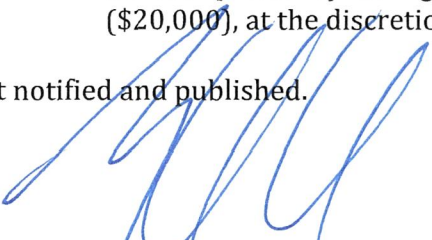
II. Conclusion

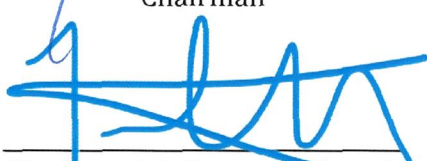
The Energy Bureau **DENIES** PREPA’s Augst 27 Motion requesting Reconsideration of the imposed fine. The Energy Bureau has not received evidence, nor the administrative case docket shows, that PREPA complied with the August 23 Order. The Energy Bureau **ORDERS** PREPA to pay the aforementioned administrative fine of \$8,000.00 within five (5) days of the notification of this Resolution and Order and **SHOW CAUSE** why the Energy Bureau should not impose a daily fine of \$5,000 for each day elapsed after the herein the \$8,0000.00 fine imposed by the August 23 Order is paid.

The Energy Bureau **WARNS** PREPA that:

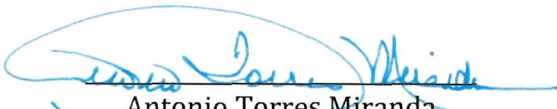
- (i) noncompliance with this Resolution and Order, regulations and/or applicable laws may carry the imposition of fines and administrative sanctions of up to \$25,000 per day;
- (ii) any person who intentionally violates Act 57-2014, as amended, by omitting, disregarding, or refusing to obey, observe, 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.

  
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Edison Avilés Deliz  
Chairman

  
\_\_\_\_\_  
Ferdinand A. Ramos Soegaard  
Associate Commissioner

  
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Lillian Mateo Santos  
Associate Commissioner

  
\_\_\_\_\_  
Antonio Torres Miranda  
Associate Commissioner

CERTIFICATION

I certify that the majority of the members of the Puerto Rico Energy Bureau agreed on October 11, 2024. Associate Commissioner Sylvia B. Ugarte Araujo did not intervene. Also certify that on October 11, 2024, I have proceeded with the filing of this Resolution and Order and was notified by email to arivera@gmlex.net; mvalle@gmlex.net; lrn@roman-negron.com; legal@genera-pr.com; regulatory@genera-pr.com; laura.rozas@us.dlapiper.com; valeria.belvis@us.dlapiper.com

I sign this in San Juan, Puerto Rico, today October 11, 2024.



  
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Sonia Seda Gaztambide  
Clerk