

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

**NEPR**

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**IN RE:**

INFORMES DE PROGRESO DE  
INTERCONEXIÓN DE LA AUTORIDAD  
DE ENERGÍA ELÉCTRICA DE PUERTO  
RICO

**CASE NO. NEPR-MI-2019-0016**

**SUBJECT:**

Motion in Compliance with Outstanding Bench  
Orders of December 5, 2024

**MOTION IN COMPLIANCE WITH OUTSTANDING BENCH ORDERS OF  
DECEMBER 5, 2024**

**TO THE PUERTO RICO ENERGY BUREAU:**

**COME NOW, LUMA ENERGY, LLC** as Management Co., and **LUMA ENERGY SERVCO, LLC** (collectively, LUMA), through the respective undersigned legal counsel and respectfully state and submit the following:

1. The captioned proceeding involves oversight by this Honorable Puerto Rico Energy Bureau (“Energy Bureau”) of procedures for the interconnection of distributed generation systems and microgrids to the Transmission and Distribution System (“T&D System”), pursuant to Act 114-2007, Act 57-2014 and Act 17-2019.

2. Since July 2020, this Energy Bureau has required the Puerto Rico Electric Power Authority (“PREPA”) to submit quarterly progress reports on interconnections and has held several compliance hearings. *See* Resolution and Order of July 21, 2020 (“July 21<sup>st</sup> Resolution”).

3. On May 7, 2021, the Energy Bureau issued a Resolution and Order in which it took notice of the transition process underway between LUMA and PREPA (“May 7<sup>th</sup> Resolution and Order”). On June 1, 2021, LUMA assumed its role as Operator of the T&D System per the Puerto

Rico Transmission and Distribution System Operation and Maintenance Agreement by and between the LUMA, PREPA, and the Puerto Rico Public-Private Partnership Authority (“P3A”) dated as of June 22, 2020.

4. In the May 7<sup>th</sup> Resolution and Order, the Energy Bureau ordered LUMA, as Operator of the T&D System, to file the quarterly progress reports previously required by the Energy Bureau to be filed by PREPA. *See* May 7<sup>th</sup> Resolution and Order on page 1.

5. On April 4, 2024, the Energy Bureau issued a Resolution and Order whereby, among other considerations, it ordered LUMA to incorporate information into all future Progress Reports, including: (i) revised versions of the chart *Energía Acreditada y exportada por Cliente de Medición neta (MWh/Cliente)* that represents the energy exported and credited by client type; (ii) a list of all behind the meter distributed generators interconnected to LUMA’s system with a nameplate capacity of 100kW or more, identifying the nameplate capacity, generation technology used, available storage, unique identifier, and type of account and metering arrangement; (iii) a count of generators interconnected to LUMA’s system with nameplate capacity within each of nine (9) specified ranges, and the total incremental capacity for each range, specifying the type of account and metering arrangement for each; (iv) complete and file table included as Attachment A(1); (v) complete and file table included as Attachment A(2); and (vi) complete and file the table included as Attachment A(3) (“April 4<sup>th</sup> Order”). *See* April 4<sup>th</sup> Resolution and Order, pp. 1-2.

6. On July 12, 2024, the Energy Bureau issued a Resolution and Order instructing LUMA to (i) modify the method used to calculate the percentage of applications in compliance and the method used to calculate the average of days elapsed to complete an interconnection process, and (ii) submit the quarterly report 45 days after the last day of the quarter to account for the applications submitted at the end of accurately the reporting period (“July 12<sup>th</sup> Motion”). The

Energy Bureau also determined that the subsequent Compliance Hearings will be scheduled to be held at least ten (10) calendar days after a Progress Report is filed. It also established the schedule for future Progress Reports, PowerPoint Presentation filings, and Compliance Hearings, corresponding to all quarters from April-June 2024 until October-December 2025.

7. On November 14, 2024, LUMA filed a *Motion Submitting Revised LUMA's Interconnections Progress Report for July through September 2024 and Supporting Materials* ("November 14<sup>th</sup> Submission"). Therein, LUMA submitted the Interconnections Progress Report for the July through September 2024 quarter, adhering to the requirements outlined in the Resolution and Order of July 21, 2020; the Distributed Generation Systems Data File ("DG Data File") in compliance with the Resolution and Order of September 30, 2020; the DG Data File divided by customer class, including residential, commercial, industrial, and agricultural; and the materials to be used in the upcoming compliance hearing.

8. On December 5, 2024, during the Compliance Hearing to discuss the Interconnections Progress Report for July through September 2024, the Commissioners brought to LUMA's attention that the Excel spreadsheet submitted with the Interconnections Progress Report (Exhibit 1 to the November 14<sup>th</sup> Submission) included certain filters that needed to be eliminated. The Energy Bureau ordered LUMA to submit a revised version of Exhibit 1 to the November 14<sup>th</sup> Submission on or before December 9, 2024.

9. In addition, the Energy Bureau ordered LUMA to provide a detailed explanation of LUMA's plan to address concerns about DG customers installing bidirectional meters to replace them shortly after that with Advanced Metering Infrastructure ("AMI"). The response should consider the schedule of the AMI plan, the possibility of installing AMI-compliant bidirectional meters, and the options to deal with any bidirectional meters remaining after the AMI plan is

implemented (refurbish them, return them, sell them to other service providers). The Energy Bureau ordered LUMA to provide this information on or before December 16, 2024.

10. Furthermore, the Energy Bureau instructed LUMA to verify if customers benefit from the Net Energy Metering and Customer Battery Energy Sharing (“CBES”) programs for the same exported energy. It should be explained whether it is possible to obtain data from aggregators to make this verification and adjust invoices. LUMA was also ordered to provide this information on or before December 16, 2024.

11. On December 9, 2024, LUMA filed a *Motion Submitting Revised LUMA’s Interconnections Progress Report for July through September 2024 and Supporting Materials*. LUMA submitted a revised version of Exhibit 1 to the November 14<sup>th</sup> Submission and a revised DG Data File. Similarly, LUMA included a revised presentation to reflect certain modifications.

12. In compliance with the outstanding Bench Orders issued at the Compliance Hearing, LUMA hereby submits as Exhibit 1 to this Motion its explanation of the plan to address concerns regarding Net Energy Metering (NEM) and Distributed Generation (DG) Customers installing bidirectional meters, which will be replaced with Advanced Metering Infrastructure (AMI). Specifically, LUMA outlined a phased approach for transitioning from existing bidirectional meters to AMI, ensuring uninterrupted service to NEM customers. This includes (i) structured deployment beginning in the third quarter of 2025; (ii) meter recycling and continued legacy meter use to bridge gaps until AMI infrastructure is operational; and (iii) emphasis on necessary infrastructure to support AMI deployment.

13. Additionally, LUMA includes information on whether customers benefit from the Net Energy Metering and CBES programs for the same exported energy in Exhibit 1 to this

Motion. LUMA clarifies that customers participating in both the NEM and CBES programs are compensated for the same exported energy.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned; **and deem** LUMA complied with the Bench Orders dated December 5, 2024.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this December 16, 2024.

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 counsels for PREPA, Alexis Rivera, [arivera@gmlex.net](mailto:arivera@gmlex.net), and Mirelis Valle Cancel, [mvalle@gmlex.net](mailto:mvalle@gmlex.net). Notice will also be sent to the Office of the Independent Consumer Protection Office, Lcda. Hannia Rivera Diaz, [hrivera@jrsp.pr.gov](mailto:hrivera@jrsp.pr.gov), and to counsel for the Puerto Rico Solar Energy Industries Association Corp. (“SESA”), [javrua@sesapr.org](mailto:javrua@sesapr.org).



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Exhibit 1

# Responses to December 5<sup>th</sup> Technical Conference Bench Orders

December 16, 2024

NEPR-MI-2019-0016



# December 5<sup>th</sup> Technical Conference Bench Orders

## NEPR-MI-2019-0016

### Response: CH-RFI-LUMA-MI-2019-0016-20241205-PREB

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## INTRODUCTION

LUMA hereby responds to the Bench Orders issued by the Puerto Rico Energy Bureau (“Energy Bureau”) during the December 5, 2024, Compliance Hearing. The responses outlined herein address specific items discussed during the December 5<sup>th</sup> Compliance Hearing.

## 1. REQUEST FOR DETAILED EXPLANATION OF LUMA'S AMI PLAN FOR DG CUSTOMERS

### REQUEST

Provide a detailed explanation of LUMA’s plan to address concerns regarding Net Energy Metering (NEM) and Distributed Generation (DG) Customers installing bidirectional meters, which will be replaced with Advanced Metering Infrastructure (AMI). The response should consider (a) the schedule of the AMI plan, (b) the possibility of installing AMI-compliant bidirectional meters, (c) the agreements with the manufacturers of meters and possible amendments, and (d) the options to deal with any bidirectional meters remaining after the AMI plan is implemented (refurbish them, return them, sell them to other service providers).

### RESPONSE

LUMA’s approach to addressing concerns related to NEM customers and the transition from existing bidirectional meters and meter reading systems to AMI is based on a structured and phased deployment strategy.

The AMI program is an island-wide initiative with a schedule for full meter installation of over (3) three to (5) five years. While the AMI program is in the final stages of contract approvals, LUMA remains committed to ensuring that NEM interconnection application customers continue to have bi-directional capable meters with existing meter reading systems.

The deployment of AMI meters requires careful preparation and planning. Before AMI meters can be installed, the necessary network infrastructure must be in place and operational.

AMI meters require a network infrastructure in order to provide meter reads, alerts, and other required operational functionality back to LUMA. The existing meter systems in place today are not compatible with the AMI system to be installed. Therefore, integrating the existing meter systems currently used by LUMA is not feasible. The network must be installed prior to the AMI meter installation in order to gain the operational benefits of AMI compared to the existing systems.

LUMA does meter recycling, where recycled meters will be used at customer locations until the communication network is fully operational for AMI in that area. As part of this process, legacy meters that are replaced by AMI will be incorporated into LUMA’s inventory and redeployed to replace faulty or

## December 5<sup>th</sup> Technical Conference Bench Orders

damaged meters in regions still awaiting AMI deployment. LUMA's recycling approach will reuse legacy meters in areas where AMI meters have not been deployed.

LUMA will continue to purchase the legacy meter types needed to ensure that there is no disruption in service to any customers due to the lack of meters. Purchasing will be discontinued once the AMI deployment has replaced enough meters to maintain a positive inventory for reuse and maintain a level of recycled meters inventory to meet replacement demand. LUMA will use recycled meters when available and appropriate for the application. Only a limited amount of installed meters in Puerto Rico today are bi-directional capable, and thus the recycled meter inventory may not be sufficient to meet customer needs.

# December 5<sup>th</sup> Technical Conference Bench Orders

## 2. VERIFICATION OF CUSTOMER BENEFITS FROM THE NET ENERGY METERING (NEM) AND CUSTOMER BATTERY ENERGY SHARING (CBES) PROGRAMS

### REQUEST

1. Do customers benefit from the NEM and Customer Battery Energy Sharing (CBES) programs for the same exported energy?
2. Is it possible to obtain data from aggregators to make this verification and adjust invoices?

### RESPONSE

1. Yes, NEM credits and CBES compensation are earned simultaneously for exported energy. Net Energy Metering allows customers with distributed generation systems to inject excess energy back into the grid and receive a credit that offsets their energy costs. In contrast, the Customer Battery Energy Sharing program enables customers with battery storage systems to inject stored energy into the grid during emergency events, when generation available to the grid does not meet demand.

Both NEM and CBES rely on the same bidirectional meter to measure energy flows, creating a challenge in distinguishing the source of exported energy (whether it originates from real-time generation or stored energy released during a CBES event). This inability to differentiate energy sources limits the precision of compensation/credits. CBES compensation validation uses information provided by the aggregators.

2. While additional data from aggregators could enhance the process, the level of effort required would remain high until the full AMI infrastructure is operational. Such data, however, could play a critical role in supporting program scalability in the interim.

At the current stage of the NEM and CBES programs, it is not possible to measure the amount of energy going back and forth. The ratio of manpower and effort required to the amount of payout currently for the program is also prohibitive, as it would take a substantial manual effort to verify and assess a potential adjustment.

It is worth noting that even in jurisdictions across the United States with fully deployed AMI, challenges persist in avoiding double compensation through metering alone. These challenges have typically been addressed by modifying the compensation mechanisms rather than relying solely on metering accuracy.