

GOBIERNO DE PUERTO RICO
JUNTA REGLAMENTADORA DE SERVICIO PÚBLICO
PUERTO RICO ENERGY BUREAU

IN RE: REVIEW OF THE PUERTO RICO
ELECTRIC POWER AUTHORITY'S 10-YEAR
INFRASTRUCTURE PLAN – DECEMBER
2020

CASE NO. NEPR-MI-2021-0002

SUBJECT: Resolution and Order for Motion
Submitting Three Amended Scope of Works,
December 12, 2024, filed by LUMA.

RESOLUTION AND ORDER

I. Introduction

On March 19, 2021, the Puerto Rico Electric Power Authority (“PREPA”) filed before a document titled *Motion Submitting March 2021 Revised 10-Year Infrastructure Plan* (“March 19 Motion”). Through the March 19 Motion, PREPA included an updated version of its 10-year plan (“March 2021 Revised 10-Year Plan”).

Imr On March 26, 2021, the Energy Bureau of the Puerto Rico Public Service Regulatory Board (“Energy Bureau”) issued a Resolution and Order (“March 26 Resolution”), through which it ordered the Puerto Rico Electric Power Authority (“PREPA”) to submit each specific capital investment project for approval to avoid potential noncompliance with the Approved Integrated Resource Plan (“IRP”) and Modified Action Plan.¹ To streamline the process, the Energy Bureau ordered PREPA to submit the specific projects to the Energy Bureau at least thirty (30) calendar days before their submittal to the Puerto Rico Central Office for Recovery, Reconstruction and Resiliency (“COR3”) and the Federal Emergency Management Agency (“FEMA”), and any other federal agency,² and to continue reporting 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.

one On June 8, 2021, after several procedural events, the Energy Bureau issued a Resolution and Order (“June 8 Resolution”) approving sixty-five (65) projects submitted by PREPA in connection with the Revised 10-Year Infrastructure Plan. Among the projects approved, it included the “FAASt - Line 36100- Dos Bocas HP to Monacillos TC (Transmission)” and the “FAASt Garzas 1 HP to Garzas 2 HP- Line 1100 (Transmission)” projects. The Energy Bureau determined that project approval was based on the information from PREPA and should the scope of the project change, PREPA or LUMA³ shall immediately seek the Energy Bureau’s approval of such changes.

On July 6, 2021, LUMA and PREPA filed before the Energy Bureau a document titled *Joint Motion Submitting Updated 10-Year Infrastructure Work Plan* (“July 6 Motion”). Through the July 6 Motion, LUMA and PREPA included as Exhibit 1 an updated version of the 10-year infrastructure workplan, which was prepared and submitted to FEMA and COR3 to comply with a 90-day update cycle requirement (“June 2021 Revised 10-Year Plan”).

YPR On October 4, 2021, LUMA filed before the Energy Bureau a document titled *Motion Submitting Updated List of Transmission and Distribution Projects and Thirty-Eight Scopes of Work* (“October 4 Motion”). As Exhibit 1 to the October 4 Motion, LUMA included an updated

¹ Final Resolution and Order on the Puerto Rico Electric Power Authority’s Integrated Resource Plan, In re: Review of the Integrated Resource Plan of the Puerto Rico Electric Power Authority, Case No. CEPR-AP-20 18-0001, August 24, 2020 (“IRP Order”).

² March 26 Resolution, pp. 18-19.

³ LUMA Energy LLC and LUMA Energy ServCo LLC (jointly referred as “LUMA”).



project list, which have the current LUMA Transmission and Distribution (“T&D”) projects and their status. Further, LUMA included as Exhibit 2 to the October 4 Motion thirty-eight (38) Scopes of Work (“SOW”) for T&D projects for the Energy Bureau’s review and approval.

On October 18, 2021, the Energy Bureau issued a Resolution and Order approving all thirty-eight (38) T&D projects submitted by LUMA in the October 4 Motion, including the “Santurce Planta (Sect) 1116” project. Further, the Energy Bureau ordered LUMA to seek the Energy’s Bureau approval immediately should the scope of the approved project change.

On December 12, 2024, LUMA filed a document titled *Motion Submitting Three Amended Scopes of Work, and Request for Confidentiality and Supporting Memorandum of Law*, (“December 12 Motion”), through which LUMA requests the Energy Bureau to replace the previously approved SOWs with those submitted as Exhibits 1, 2 and 3 included with the December 12 Motion. LUMA further requests the Energy Bureau to maintain under confidentiality portions of the SOWs and submitted a Memorandum of Law supporting the confidentiality request.

LM

II. Discussion and Conclusion

The SOWs submitted by LUMA comprise projects related to the repair and replacement of existing transmission lines to follow consensus-based codes and standards, and the reconstruction of a substation to update it to current code and standards. The amended SOWs include additional items, revised costs and design standards. A summary of the amendments is shown in Table 1 below:

Table 1: LUMA’s proposed changes to SOW

| SOW Title | December 12 Motion SOW Amendment |
|---|--|
| <i>FAASt - Line 36100- Dos Bocas HP to Monacillos TC (Transmission)</i> | Project scope and cost review. Modify project name to add “Program for Line 66100” LUMA indicates it will now be developed as eight (8) separate projects for each separate section of Transmission Line 36100. LUMA states that Transmission Line 36100 is part of the Near-term Group #1: 12-Transmission Existing (115 & 230 kV) project in the PREPA 10-Year Infrastructure Plan (June 2021), p.60. ⁴ |
| <i>FAASt Garzas 1 HP to Garzas 2 HP- Line 1100 (Transmission)</i> | Cost estimate review. |
| <i>Santurce Planta (Sect) 1116 (Substation)</i> | Project scope and cost review. Modify project name to add “Substations 1116 and 1117” |

one

1

The initial cost estimate as originally approved by the Energy Bureau, and the revised cost estimate presented by LUMA is shown in Table 2:

Table 2: Initial cost estimates vs. updated cost estimates

| SOW Title | RO of June 6, 2021 (Cost Estimate, \$M) | RO of Oct. 18, 2021 (Cost Estimate, \$M) | LUMA’s Dec. 12 Motion (Cost Estimate, \$M) |
|---|---|--|--|
| <i>FAASt - Line 36100- Dos Bocas HP to Monacillos TC (Transmission)</i> | \$115.49 | — | \$178.72 |
| <i>FAASt Garzas 1 HP to Garzas 2 HP- Line 1100 (Transmission)</i> | \$3.58 | — | \$5.29 |
| <i>Santurce Planta (Sect) 1116 (Substation)</i> | — | \$9.9 | \$37.78 |

APM

⁴ December 12 Motion, Exhibit 1, p. 5.



After a review of the December 12 Motion, the Energy Bureau **DETERMINES** that these projects are necessary to improve the reliability of the system and the updated costs are reasonable. Therefore, the Energy Bureau **TAKES NOTICE** of LUMA's December 12 Motion and **APPROVES** the requested amendments for the three (3) SOWs submitted in the December 12 Motion and included in **Attachment A** of this Resolution and Order.

Act 57-2014 establishes that any person with the obligation to submit information to the Energy Bureau can request privilege or confidential treatment to any information that the party submitting understands deserves such protection. Specifically, Act 57-2014 requires the Energy Bureau to treat as confidential the submitted information provided that "the Energy Bureau, after the appropriate evaluation, believes such information should be protected". In such case, the Energy Bureau "shall grant such protection in a manner that least affects the public interest, transparency, and the rights of the parties involved in the administrative procedure in which the allegedly confidential document is submitted."

After reviewing LUMA's arguments and relevant law, the Energy Bureau **GRANTS** confidential designation and treatment to portions of Exhibits 1, 2 and 3, attached with the December 12 Motion because it has critical infrastructure information and to protect personal identifying information of individuals.

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.

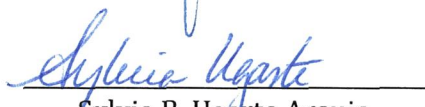
Be it notified and published.



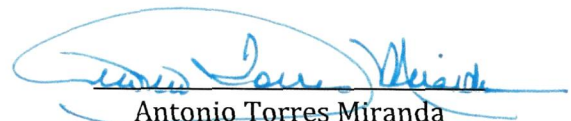
Edison Avilés Deliz
Chairman



Lillian Mateo Santos
Associate Commissioner



Sylvia B. Ugarte Araujo
Associate Commissioner



Antonio Torres Miranda
Associate Commissioner



CERTIFICATION

I hereby certify that the majority of the members of the Puerto Rico Energy Bureau has so agreed on February 7, 2025. Associate Commissioners Ferdinand A. Ramos Soegaard did not intervene. I also certify that on February 7, 2025, a copy of this Resolution was notified by electronic mail to arivera@gmlex.net; mvalle@gmlex.net; RegulatoryPREBOrders@lumapr.com; Yahaira.delarosa@us.dlapiper.com; julian.angladapagan@us.dlapiper.com; alopez@sbglaw.com; jfr@sbglaw.com, legal@genera-pr.com, regulatory@genera-pr.com; and I have proceeded with the filing of the Resolution issued by the Puerto Rico Energy Bureau.

For the record, I sign this in San Juan, Puerto Rico, on February 7, 2025.



Sonia Seda Gaztambide
Clerk



Attachment A

| SOW Title | LUMA's Dec. 12 Motion (Cost Estimate, \$M) |
|--|---|
| FAASt - Line 36100- Dos Bocas HP to Monacillos TC (Transmission) | \$178.72 |
| FAASt Garzas 1 HP to Garzas 2 HP- Line 1100 (Transmission) | \$5.29 |
| Santurce Planta (Sect) 1116 (Substation) | \$37.78 |

TOTAL: \$221.79

