

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

**NEPR**

**Received:**

**Mar 10, 2025**

**11:01 AM**

**IN RE:**

IMPLEMENTATION OF THE PUERTO  
RICO ELECTRIC POWER AUTHORITY  
INTEGRATED RESOURCE PLAN AND  
MODIFIED ACTION PLAN

**CASE NO. NEPR-MI-2020-0012**

**SUBJECT: Informative Motion and Request for  
Determination Regarding Tranche 2 Interconnection  
Works and Associated Costs and Request for  
Confidential Treatment**

**INFORMATIVE MOTION AND REQUEST FOR DETERMINATION REGARDING  
TRANCHE 2 INTERCONNECTION WORKS AND ASSOCIATED COSTS AND  
REQUEST FOR CONFIDENTIAL TREATMENT**

**TO THE PUERTO RICO ENERGY BUREAU:**

**COME NOW LUMA Energy ServCo, LLC and LUMA Energy, LLC** (collectively “LUMA”), through the undersigned legal counsel, and respectfully submit and request the following:

**I. Introduction**

In connection with the Tranche 2 Request for Proposals (“RFP”)<sup>1</sup> process, LUMA is presenting this motion to request this Honorable Energy Bureau of the Puerto Rico Public Service Regulatory Board (“Energy Bureau”) to issue a formal determination regarding the allocation of responsibilities for the costs associated with the works that are necessary to interconnect the Tranche 2 projects, as well as the allocation of responsibilities relating to the performance of some of these works.

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<sup>1</sup> This is the second procurement tranche for renewable energy resources to be conducted by the Puerto Rico Electric Power Authority (“PREPA”) contemplated under the 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-2018-0001, of August 24, 2020, wherein the Energy Bureau approved the current Integrated Resources Plan and Modified Action Plan (the “IRP and Modified Action Plan”).

The Tranche 2 RFP documents, the approved Energy Storage Services Agreement (“ESSA”) and Power Purchase and Operating Agreements (“PPOAs”), and the guidance provided by the PREB-Independent Coordinator (“PREB-IC”) contain provisions relating to the allocation of costs and/or responsibilities for Network Upgrades<sup>2</sup>, the PREPA’s Interconnection Facilities<sup>3</sup> and the LUMA Interconnection Works<sup>4</sup> of the Tranche 2 projects. However, from a review of the pertinent provisions, clarity is needed on some of these allocations, as there appear to be potential inconsistencies among the different documents, as well as with respect to the contents of the interconnection studies and LUMA construction policies. In particular and among others, clarity is needed on the cap on costs for the construction of Network Upgrades and PREPA Interconnection Facilities, and how any excess costs will be recovered, as well as the allocation of costs relating to the LUMA Interconnection Works. In addition, allocation of responsibilities for construction of PREPA Interconnection Facilities and Network Upgrades in some cases do not conform with LUMA policy regarding construction within PREPA-owned facilities.

Given these questions, LUMA respectfully submits that it is important for the Energy Bureau to issue directives clarifying the rules governing the allocation of these costs and responsibilities, which is particularly important for LUMA to be able to include the appropriate provisions on the subject in the Interconnection Agreements for these projects, as well as to have a formal directive to which LUMA can refer when it seeks the recovery of costs through the Power Purchase Cost Adjustment (“PPCA”) factor, which recovery request must be submitted to the

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<sup>2</sup> As discussed herein, and consistent with the typical language in PPOAs and the Interconnection Agreements, this term refers to the transmission and distribution system upgrades and improvements outside the interconnection point required to inject the net capacity of the proposed generation facility to the transmission and distribution system.

<sup>3</sup> As used herein, and consistent with the typical language in PPOAs and the Interconnection Agreement, this term refers to the equipment and facilities located on PREPA’s side of the interconnection point constructed, installed or upgraded for the purposes of interconnecting the energy generation facility with the rest of the grid system.

<sup>4</sup> As used herein, this term refers to the interconnection services provided by LUMA as transmission and distribution operator in connection with the PREPA Interconnection Facilities works and the Network Upgrade works.

Energy Bureau for approval in Case No. NEPR-MI-2020-0001, *In re: Puerto Rico Electric Power Authority Permanent Rate* (“Permanent Rate Docket”).

In this Motion, LUMA provides its proposal with respect to how these costs and responsibilities should be allocated, taking into account, wholistically, all of the pertinent documents, as well as LUMA policies and other practical considerations.

## **II. Relevant Background and Procedural History**

1. On October 29, 2021, the Energy Bureau issued a Resolution and Order (the “October 29<sup>th</sup> Order”) through which it determined that the Tranche 2 RFP process was to be executed by the Energy Bureau through an independent coordinator, referred to as the “PREB-Independent Coordinator” or PREB-IC. *See* October 29<sup>th</sup> Order, p. 14. The Energy Bureau also indicated that the PREB-IC would conduct all phases of the Tranche RFP and would coordinate with the Energy Bureau staff throughout the RFP process to ensure that it is undertaken in a fair and unbiased manner, and in accordance with the Energy Bureau's approved Tranche 2 RFP and Updated Renewables Procurement Plan<sup>5</sup>, as well as any applicable order or resolution issued by Energy Bureau in connection with the Tranche 2 RFP and/or the Updated Renewables Procurement Plan. *See id.*

2. In the October 29<sup>th</sup> Order, the Energy Bureau further indicated that the role of the PREB-IC would include, without limitation, to: conducting all steps of the competitive bidding process; managing all communications and all communications protocols with proponents (“Proponents”); assuring adherence to the applicable code of conduct; submitting comments and recommendations to the Energy Bureau concerning the process; developing in coordination with

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<sup>5</sup> This term refers to the renewable resource and battery energy storage resource plan submitted by PREPA in this proceeding to implement the IRP’s renewables procurement requirements as updated. *See* October 29<sup>th</sup> Order, pp. 1-11.

PREPA the proposal evaluation methodology, models, criteria, and assumptions; evaluating of proposals; conducting contract negotiations with Proponents; reporting to the Energy Bureau on monitoring results during each stage of the RFP process; and assuring achievement of the goals of the Tranche 2 RFP and related Updated Renewable Procurement Plan. *Id.*

3. On January 27, 2022, the Energy Bureau issued a Resolution and Order in which it identified the PREB-IC, detailed more specific responsibilities and duties assigned to the PREB-IC, and informed of webinars to be held by the PREB-IC regarding the procurement process, including registration in a web platform to be established by the PREB-IC (“PREB I-C Platform”). *See* January 27<sup>th</sup> Resolution, pp. 3-5. As described in more detail in the January 27<sup>th</sup> Order, the more specific duties and responsibilities of the PREB-IC, included, among others: designing and administering the RFP; implementing and managing the RFP process; hosting and maintaining the PREB-IC Platform; designing the solicitation process and proposed forms for the RFP, PPOA, ESSA, Grid Services Agreement and other documents needed; developing the bid approach; coordinating with LUMA the Minimum Technical Requirements (“MTRS”) and technical data requirements; coordinating with LUMA preferred project locations based on projected transmission and distribution system conditions; developing recommendations on bid qualification requirements and/or threshold bid requirements; circulating the draft RFP, PPOA, ESSA and GSA documents through the PREB-IC Platform; screening of bids; initial ranking and evaluation of bids; developing a short list of bids; integrating transmission and distribution system analyses completed by LUMA into the overall bid evaluation and bid ranking; determining final bid rankings; providing bid evaluation, PPOA, ESSA and GSA information needed for review and approval by the Energy Bureau and the Financial Oversight and Management Board (“FOMB”); and facilitating execution of PPOAs, ESSAs and GSAs by PREPA. *See id.*, pp. 4-5. The Energy

Bureau also indicated that the responsibilities and duties of the PREB-IC were subject to Energy Bureau oversight and modification, as needed, as the RFP process proceeds. *See id.*, p. 5.

4. On June 9, 2022, the Energy Bureau issued a Resolution and Order creating a committee for evaluation and selection of proposals for the remainder of the RFP process (Tranches 2 through 6) (“Selection Committee”) and detailing the roles of PREPA and LUMA in this Selection Committee, among others. *See* June 9<sup>th</sup> Order, pp. 3-5. The Energy Bureau also indicated that the Tranche 2 RFP bid evaluation process would be carried out by the PREB-IC and once complete, the PREB-IC would submit its input and recommendations to the Selection Committee for its consideration and the Selection Committee would thereafter be required to prepare a report regarding the selected Proponents, reasons for selections made, and the description for the procedure followed for the selection, among others, to be submitted to the Energy Bureau for the final determination. *See id.*, pp. 3-4.

5. With a date of issuance of September 28, 2022, the PREB-IC posted in the PREB-IC Platform the Request for Proposals No. NEPR-0001, Renewable Energy Generation and Energy Storage Resources, Tranche 2 of 6 (“Tranche 2 RFP”) issued by the Energy Bureau on behalf of PREPA.<sup>6</sup> As relevant to this Motion, the published Tranche 2 RFP provided that “[a]ny network upgrade to the [Transmission and Distribution System (“T&D”) System] costs identified in the Network Upgrade Facility Study<sup>7</sup> will be paid in full by each Proponent through the pre-established Network Upgrade Charge. For the avoidance of doubt, Proponents will not be required

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<sup>6</sup> *See* the RFP published in [https://prebrfp.accionpower.com/preb\\_2203/accionhome.asp](https://prebrfp.accionpower.com/preb_2203/accionhome.asp) (as accessed on January 6, 2024), under the link Tranche 2. Access requires prior registration.

<sup>7</sup> This term refers to “for each Proposal Selected for Phase II, a study to determine the T&D System upgrades and improvements (outside of the Interconnection Point) required to inject the Net Capacity of the proposed project to the T&D System, including but not limited to, transmission lines capacity increase and improvement at nearby stations. The Network Upgrade Facility Study report includes amongst others, the required scope of work, a cost estimate, and a schedule for the construction of the required upgrades and improvements”. *See id.* Section 1.1 (definition of “Network Upgrade Facility Study”).

to pay any costs in excess of the estimated cost identified on the Interconnection Point Facility Study<sup>8</sup> to interconnect their projects.” *See* Tranche 2 RFP, Section 1.10, (footnotes added). The “Network Upgrade Charge” is defined as the ‘T&D Operator’s estimated, pre-bid submission, all-in cost to design, supply, install, test, and commission the T&D System upgrades for a Utility-Scale Resource<sup>9</sup> [hereinafter, “Network Upgrades”], equal to \$85,000 per MW based on the Net Capacity<sup>10</sup> of the Energy Resource”. *See id.* Section 1.1 (definition of “Network Upgrade Charge”) (footnote added). Accordingly, the Tranche 2 RFP required each Proponent to include in their price submission costs to “design, develop (including without limitation, the acquisition of required land right, install, test and commission the transmission or distribution infrastructure required to connect such resource to the T&D System[] (using, in part, the Network Upgrade Charge)”, with the clarification that the Proponent “will be provided the opportunity to re-price their Proposal after LUMA provides the results of the Interconnection Point Facility Study”. *See id.* Section 1.8.

6. The Tranche 2 RFP further provides that “[f]ollowing completion of the pricing evaluation, the Selection Committee will select proposals for Phase III<sup>11</sup> evaluation and notify each Proponent whether its proposal will advance to Phase III. [...] For each Proposal Selected for Phase III, and based on the results of the Interconnection Point Facility Study, the PREB-IC will

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<sup>8</sup> This term is defined as “for each Proposal Selected for Phase II, a study to determine the required Interconnection Point upgrades and expansions needed to physically provide a safe and reliable interconnection for a proposed project, including the required scope of work, a cost estimate, and a schedule for the construction of the required upgrades and expansions”. *See id.* Section 1.1 (definition of “Interconnection Point Facility Study”).

<sup>9</sup> This term refers to the renewable energy resource that meets the qualifications indicated in the Tranche 2 RFP or the battery energy storage system or any other form of energy storage system that satisfies the applicable MTRs. *See id.* Section 1.1 (definitions of “Utility-Scale Resource”, “Energy Resource”, “Renewable Energy Resource” and “Energy Storage Resource”).

<sup>10</sup> This term refers to the “contracted capacity measured at the Interconnection Point”, the latter being the point in which the Energy Resource connects to the T&D System. *See id.* Section 1.1 (definition of “Net Capacity”) and Section 1.10.

<sup>11</sup> Phase III is the third phase of the proposal evaluation process in which essentially a phase following the review of the proposals and recommendations in which proposals are selected for the Phase III in which the interconnection is evaluated, and proponents give their best and final price proposal offer (“Best and Final Offer”). *See id.* Section 1.1 (definition of “Phase III”) and Sections 6.2 and 6.3.

notify to Proponents a not-to-exceed cost required for the upgrades and expansions needed at the Interconnection Point to physically interconnect the project (the “T&D Operator's Estimated Cost”). Once the T&D Operator's Estimated Cost is communicated to the Proponents, the Proponents may re-price their bids or withdraw from further consideration.” *See id.* Section 6.2, pp. 49-50 (bold not included).

7. Subsequently, with an issuance date of November 8, 2022, the PREB-IC published an Addendum #1 to the Tranche 2 RFP (“First Addendum”) which contained modifications to some provisions of the Tranche 2 RFP. These modifications changed did not change the substance of the provisions discussed above.<sup>12</sup>

8. On June 18, 2024, PREPA filed with the Energy Bureau a *Motion to Submit the Report of the Selection Committee’s Evaluation of the Tranche 2 Renewable Energy and Energy Storage Solution* (“PREPA June 18<sup>th</sup> Motion”) submitting the mentioned report (“Selection Committee Report”), under request for confidential treatment, for the Energy Bureau’s final determination on the bid evaluation and selection process. The Selection Committee Report, attached as Exhibit A to the PREPA June 18<sup>th</sup> Motion, included copy of the drafts of the PPOAs between PREPA and two selected service providers, the draft of the ESSA between PREPA and one selected service provider, the Interconnection Studies conducted by LUMA for each of the

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<sup>12</sup> The above-quoted provision of Section 1.10 now reads: “Any network upgrade to the T&D System costs identified in the Network Upgrade Facility Study will be paid in full by each Proponent through the pre-established Network Upgrade Charge. For the avoidance of doubt, Proponents of Utility-Scale Resources will not be required to pay any costs in excess of the estimated cost identified on the Interconnection Point Facility Study to interconnect their projects. Accordingly, the proposed pricing submitted by a Proponent in a proposal for a Utility-Scale Resource should assume that the Proponent funds the required network upgrades to the T&D System through the Network Upgrade Charge.” In addition, the above-quoted provision of Section 1.8 now provides that the Proponent’s proposal shall over the Proponent’s costs to “(i) design, develop (including without limitation, the acquisition of required land right, install, test and commission the transmission or distribution infrastructure required to connect such resource to the T&D System (for the Utility-Scale Resources using, in part, the Network Upgrade Charge)” and that the Proponent “will be provided the opportunity to re-price their Proposal after LUMA provides the results of the Interconnection Point Facility Study”.

selected projects, and the Resolution of PREPA’s Governing Board approving the submittal of the Selection Committee Report to the Energy Bureau. *See id.* Exhibit A.

9.

[REDACTED]

10. On August 26, 2024, the Energy Bureau issued a Resolution and Order (“August 26<sup>th</sup> Order”) approving the two PPOAs and one ESSA proposed in the Selection Committee’s Report and requiring that these be submitted for approval to the FOMB prior to execution. *See* August 26<sup>th</sup> Order, pp. 4-5. The Energy Bureau also granted confidential designation and treatment to the Selection Committee’s Report and its attachments (included as Exhibit A of the PREPA June 18<sup>th</sup> Motion). *See id.*, p. 5.



### III. Information and Request for Determination

11. Based on the above, and to summarize, the Tranche 2 RFP provides that the proponent of the Tranche 2 project will be responsible for the costs of the Network Upgrades up to the amount of the estimated costs of the Network Upgrades set forth in the “Interconnection Point Facility Study”. However, the estimated costs of the Network Upgrades appear in the System Impact Study; the Interconnection Point Facility Study sets forth the estimated costs of PREPA’s Interconnection Facilities and the LUMA Interconnection Works. Therefore, it is not entirely clear under the RFP documents what costs are capped and “how” the actual costs in excess of this cap will be recovered.

12. The provisions of the Energy Storage Services Agreement (“ESSA”) and two (2) Power Purchase and Operating Agreements (“PPOAs”) that have been approved by the Energy Bureau to date, as a result of the Tranche 2 RFP process, do not appear to fully address these questions. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

13. Given questions relating to the language in the RFP document described above, LUMA informs that during the RFP process LUMA submitted to the PREB-IC a request for clarification regarding the source of recovery of interconnection costs, and the PREB-IC provided the following explanation as guidance on the use of the Facility Study: the developers

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] *See Exhibit 1.*

14. LUMA notes that the estimated costs for Network Upgrades are set forth in the System Impact Study and not in the Facility Study; the Facility Study sets forth the estimated costs of PREPA’s Interconnection Facilities and the LUMA Interconnection Works. In addition, the PPCA mechanism was used in Tranche 1 to recover certain excess costs related to the PREPA Interconnection Facilities and not the Network Upgrades. [REDACTED]

[REDACTED]

[REDACTED] LUMA defines “Network Upgrades” as improvements to the transmission and distribution assets outside the interconnection point necessary to safely deliver power to load centers, including, for example, increased capacity and gauge to transmission lines, increased transformer capacities, and the like.

15. Given these questions, LUMA respectfully submits that it is important for this honorable Energy Bureau to issue a determination- applicable across the board- clarifying the rules governing the allocation of costs and responsibilities associated with the necessary works for the interconnection of the Tranche 2 projects and related cost recovery mechanism. Based on a reasonable interpretation of the provisions discussed above, seen in a wholistic manner, and in light of practical considerations, LUMA would like to seek confirmation herein that the following rules apply for Tranche 2 projects:

- a. For Tranche 2 Projects interconnecting at a property or facility that is not PREPA-owned (what is referred to in the industry as a new sectionalizer), the Proponent shall be solely responsible for the design, development, permitting, financing, construction, installation, testing and commissioning of the PREPA Interconnection Facilities and shall transfer ownership of the PREPA Interconnection Facilities to PREPA at the Commercial Operation Date (as defined in the corresponding PPOA or ESSA).
- b. For the Tranche 2 Projects interconnecting at an existing PREPA facility (what is referred to in the industry as an existing substation or existing sectionalizer), LUMA, as agent of PREPA, shall procure the design and construction of the PREPA Interconnection Facilities and be responsible for the execution thereof, including the testing and commissioning, as per LUMA's policy of performing the works within existing PREPA-owned facilities. The Proponent shall be responsible for the cost of the PREPA Interconnection Facilities up to the maximum estimated amount set forth in the Facility Study, in accordance with the payment terms of the Interconnection Agreement. If, following the procurement for the PREPA Interconnection Facilities, the costs of these works exceed the mentioned cap, the excess costs shall be financed through the use of the PPCA recovery mechanism.

Accordingly, LUMA shall submit the forecasted estimates of these excess costs for recovery quarterly through the PPCA mechanism in the Permanent Rate Docket, which costs will be later reconciled based on actual costs.

- c. In all cases, the Proponent shall finance the design, permitting, construction, installation, testing and commissioning of the Network Upgrades, up to the maximum estimated amount set forth in the System Impact Study<sup>13</sup>. The Proponent shall pay for these costs in accordance with the payment terms of the Interconnection Agreement. LUMA, as agent of PREPA, shall procure the design and construction of the Network Upgrades and be responsible for the execution thereof. If, following the procurement for the Network Upgrades, the costs of these works exceed the maximum estimated amount set forth in the System Impact Study, then the amounts in excess shall be financed through the use the PPCA recovery mechanism. LUMA shall submit the forecasted estimates of these excess costs for recovery quarterly through the PPCA mechanism in the Permanent Rate Docket, which costs will be later reconciled based on actual costs.
- d. In all cases, the costs of the LUMA Interconnection Works shall be recovered by LUMA through the PPCA mechanism. LUMA shall submit forecasted estimated costs of the LUMA Interconnection Works, based on the estimated costs set forth in the Facility Study prepared by LUMA, for recovery quarterly through the PPCA mechanism, which costs will be later reconciled based on actual costs.

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<sup>13</sup> In this regard, we must note that the RFP provides for the Interconnection Customer to consider the upgrade costs of \$85,000.00 per MW of Point of Interconnection Capacity for purposes of their initial price submission, but with the opportunity to reprice their proposal based on the results of the Interconnection Point Facility Study. *See* Tranche 2 RFP, Sections 1.10, 1.8 and 6.2. However, the costs for the Network Upgrades appear in the System Impact Study. Therefore, we understand that the cap on Network Upgrades would be the maximum estimated amount set forth in the System Impact Study.

16. LUMA emphasizes the importance of action from this Honorable Energy Bureau to clarify the above for LUMA to be able to include the appropriate provisions on the subject in the Interconnection Agreements for these projects, as well as to have a formal directive to which LUMA can refer when it is required to provide certification of funds for contract awards, creating tracking account numbers in its accounting system, and to seek the recovery of costs through the PPCA in the Permanent Rate Docket.

#### **IV. Memorandum of Law in Support of Request for Confidential Treatment**

17. LUMA respectfully requests that *Exhibit 1* and portions of this Motion be maintained under seal of confidentiality pursuant to Energy Bureau's Policy on Management of Confidential Information, CEPR-MI-2016-0009, issued on August 31, 2016, and partially amended on September 16, 2016 (the "Policy on Confidential Information"). LUMA submits the Memorandum of Law in support of this request below.

18. Section 6.15 of Act 57-2014 regulates the management of confidential information filed before this Energy Bureau. It provides, in pertinent part, that: "[i]f any person who is required to submit information to the [Energy Bureau] believes that the information to be submitted has any confidentiality privilege, such person may request the [Energy Bureau] to treat such information as such [...]." 22 LPRA §1054n. If the Energy Bureau determines, after appropriate evaluation, that the information should be protected, "it 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." *Id.* §1054n(a).

19. Access to confidential information shall be provided "only to the lawyers and external consultants involved in the administrative process after the execution of a confidentiality agreement." *Id.* §1054n(b). Finally, Act 57-2014 provides that this Energy Bureau "shall keep the

documents submitted for its consideration out of public reach only in exceptional cases. In these cases, the information shall be duly safeguarded and delivered exclusively to the personnel of the [Energy Bureau] who needs to know such information under nondisclosure agreements. However, the [Energy Bureau] shall direct that a non-confidential copy be furnished for public review.” *Id.* §1054n(c).

20. Relatedly, in connection with the duties of electric power service companies, Section 1.10 (i) and (viii) of Act 17-2019 states that electric power service companies shall “provide the documents and information as requested by customers, “except for: (i) confidential information in accordance with the Rules of Evidence of Puerto Rico, ...]and (viii) issues that should be maintained confidential in accordance with any confidentiality agreement, provided, that such agreement is not contrary to public interest....”. 22 LPRA § 1141i.

21. The Energy Bureau’s Policy on Confidential Information details the procedures that a party should follow to request that a document or portion thereof be afforded confidential treatment. In essence, the referenced Policy requires identifying confidential information and filing a memorandum of law explaining the legal basis and support for a request to file information confidentially. *See* CEPR-MI-2016-0009, Section A, as amended by the Resolution of September 20, 2016, CEPR-MI-2016-0009. The memorandum should also include a table that identifies the confidential information, a summary of the legal basis for the confidential designation, and why each claim or designation conforms to the applicable legal basis of confidentiality. *Id.* at ¶ 3. The party who seeks confidential treatment of information filed with the Energy Bureau must also file

both a “redacted” or “public version” and an “unredacted” or “confidential” version of the document that contains confidential information. *Id.* at ¶ 6.<sup>14</sup>

22. This Motion and Exhibit 1 contain information arising from documents generated as a result of the Tranche 2 procurement process, which is subject to confidentiality and is still ongoing and the object of negotiations, strategies, and proposals. Consistent with the foregoing, this honorable Energy Bureau granted confidential designation and treatment to the Selection Committee Report and the ESSA and PPOAs attached to it. *See* August 26<sup>th</sup> Motion, p. 5. Similarly, this honorable Energy Bureau has maintained under seal the documents including confidential information of the Tranche 1 RFP process finding that such confidential treatment is required pursuant to Sections 4(g) and 10.2 of the Joint Regulations for the Procurement, Evaluation, Selection, Negotiation, and Award of Contracts for the Purchase of Energy and for the Procurement, Evaluation, Selection, Negotiation and Award Process for the Modernization of the Generation Fleet, Regulation 8815 of October 11, 2016 (“Regulation 8815”), and that only once the RFP is completed, shall it be made public.<sup>15</sup> This Energy Bureau’s action is consistent with the interest of maintaining the purity of the procurement process.

23. Portions of this Motion discuss the contents of the ESSA and the PPOAs, which are confidential documents. In addition, *Exhibit 1* of this Motion contains an internal PREB-IC

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<sup>14</sup> Similarly, Energy Bureau Regulation 8543 includes a provision for filing confidential information in adjudicatory proceedings before this Honorable Energy Bureau. To wit, Section 1.15 provides that, “a person has the duty to disclose information to the [Energy Bureau] considered to be privileged pursuant to the Rules of Evidence, said person shall identify the allegedly privileged information, request the [Energy Bureau] the protection of said information, and provide supportive arguments, in writing, for a claim of information of privileged nature. The [Energy Bureau] shall evaluate the petition and, if it understands [that] the material merits protection, proceed accordingly to . . . Article 6.15 of Act No. 57-2015, as amended.”

<sup>15</sup> *See* Resolution and Order, February 2, 2022, subject: *Renewable Energy Generation and Energy Storage Resource Procurement Plan- First Tranche Projects for Phase III Contract Negotiation and Inal Interconnection Plan Approvals*, p.5, footnote 28.

communication which is confidential since it is part of the RFP process. This Motion also discusses portions of this confidential PREB-IC memorandum which should, accordingly, also be maintained confidential.

24. In compliance with the Energy Bureau's Policy on Confidential Information, below is a table summarizing the hallmarks of this request for confidential treatment.

Document	Pages, Sections where there is Confidential Information	Description	Summary of Legal Basis for Confidentiality	Date Filed
Exhibit 1	Entire document	PREB-IC internal memorandum	Confidential information of a competitive procurement  Sections 4(g) and 10.2 of Regulation 8815	March 10, 2025
Motion	Paragraphs 9 (entire paragraph) and 12 (last five sentences)	Portions of Motion referring to text of ESSA and PPOAs	Confidential information of a competitive procurement  Sections 4(g) and 10.2 of Regulation 8815	March 10, 2025
Motion	Paragraphs 13 (last 12 lines) and 14 (3 <sup>rd</sup> and 4 <sup>th</sup> sentences)	Portions of Motion referring to PREB-IC internal memorandum	Confidential information of a competitive procurement  Sections 4(g) and 10.2 of Regulation 8815	March 10, 2025



25. In light of the foregoing, LUMA asks that this Energy Bureau approve this request for confidential treatment of *Exhibit 1* in its entirety and the identified portions of this Motion. A redacted version of this Motion has been included with the filing of this Motion.

**WHEREFORE**, LUMA respectfully requests the Energy Bureau to **take notice** of the aforementioned; **make** a formal determination and issue related directives establishing the rules governing the allocation of costs associated with the works for the interconnection of the Tranche 2 projects and cost recovery mechanism, as well as the responsibilities for some of these works as proposed in this Motion in accordance with the proposal made by LUMA **paragraph 15** of this Motion; and **grant** confidential treatment of *Exhibit 1* and portions of this Motion requested herein.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 10<sup>th</sup> of March 2025.

We hereby certify that we filed this motion using the electronic filing system of this Puerto Rico Energy Bureau and that copy of this motion was notified to [jfr@sbgblaw.com](mailto:jfr@sbgblaw.com), [alopez@sbgblaw.com](mailto:alopez@sbgblaw.com), [arivera@gmlex.net](mailto:arivera@gmlex.net) and [mvalle@gmlex.net](mailto:mvalle@gmlex.net).



**DLA Piper (Puerto Rico) LLC**  
500 Calle de la Tanca, Suite 401  
San Juan, PR 00901-1969  
Tel. 787-945-9107  
Fax 939-697-6147

/s/ Laura T. Rozas  
Laura T. Rozas  
RUA Núm. 10,398  
Laura.rozas@us.dlapiper.com

Exhibit 1

PREB-IC Communication

*[Submitted under Seal of Confidentiality]*



## MEMORANDUM

TO: LUMA  
FROM: PREB-IC  
DATE: August 6, 2024  
RE: PREB Guidance provided to Tranche 2 Proponents

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]