

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

NEPR

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**IN RE:**  
IN RE: PUERTO RICO ELECTRIC POWER  
AUTHORITY PERMANENT RATE

**CASE NO. NEPR-MI-2020-0001**

**SUBJECT: Submission of FCA and PPCA Reconciliations for March to May 2025 and Updated Annual Reconciliations and Submission of FCA, PPCA and FOS and Annual Calculated Factors, and Request for Confidential Treatment**

**MOTION SUBMITTING FCA AND PPCA RECONCILIATIONS FOR MARCH  
THROUGH MAY 2025 AND UPDATED ANNUAL RECONCILIATION AND  
SUBMISSION OF FCA, PPCA AND FOS AND ANNUAL CALCULATED FACTORS  
AND REQUEST FOR CONFIDENTIAL TREATMENT**

**TO THE HONORABLE PUERTO RICO ENERGY BUREAU:**

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

**I. Introduction**

As Operator of the Puerto Rico Electric Power Authority’s (“PREPA”) Transmission and Distribution System (“T&D System”), and in furtherance of its duties as agent of PREPA regarding system regulatory matters under Section 5.6 of the *Puerto Rico Transmission and Distribution Operation and Maintenance Agreement* (“T&D OMA”),<sup>1</sup> supplemented by the Puerto Rico Transmission and Distribution System Supplemental Terms Agreement, LUMA prepares quarterly reconciliations and proposed calculated factors for the Fuel Charge Adjustment (“FCA”), the Purchased Power Charge Adjustment (“PPCA”), and the Fuel Oil Subsidy (“FOS”) riders. LUMA

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<sup>1</sup> PREPA, Puerto Rico Public-Private Partnerships Authority (“P3 Authority”) and LUMA, the *Puerto Rico Transmission and Distribution Operation and Maintenance Agreement* (June 22, 2020).

also prepares the (“CILTA”), help to human subsidies (“SUBA-HH”), non-help to human subsidies (“SUBA-NHH”) and energy efficiency rider (“EE Rider”) annual reconciliation and proposed calculated factors.

The Final Rate Order of 2017, issued on January 10, 2017, Case CEPR-AP-2015-0001, as amended (“Final Rate Order”) and PREPA’s tariff book, require the calculation of the FCA and PPCA riders reconciliation to ensure that the costs the power purchased from private generators and of fuel used for generation by PREPA (now the responsibility of Genera PR, LLC (“Genera”)) are passed through to customers without any markup, profit or additional charges that would benefit PREPA.

LUMA does not own or operate generation facilities, does not purchase any fuel for generation, and does not determine the impact that fuel costs have on customer rates. LUMA’s operational costs are not included in the FCA, PPCA, and FOS riders. LUMA is responsible for calculating the factors based on the information provided by Genera and other private generators on a quarterly basis. LUMA does not benefit financially from any change in generation fuel costs. Likewise, LUMA has no control over the cost of fuel used for generation.

The reconciliations for the FCA and PPCA riders that are submitted herewith for the months of March, April and May 2025 are consistent with the approved and currently existing PREPA Tariff Book and the Final Rate Order. LUMA is also submitting reconciliation amounts and costs related to the Customer Battery Energy Sharing (“CBES”) Program and the Accelerated Storage Addition Program (“ASAP Program”), as well as proposed costs for the ASAP Program for July through September 2025. Further, the factors proposed by LUMA include the recovery of projected costs of \$24,716,398.00 for the Tranche 1 interconnection reserve. Also, in compliance with the Resolution and Order entered by the honorable Puerto Rico Energy Bureau of the Public

Service Regulatory Board (“Energy Bureau”) on March 28, 2025, LUMA is submitting the recovery of \$30 million associated with the reserve that the Energy Bureau has order to cover the potential payment that Genera would receive if certain the amendment to *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* (“LGA OMA”)<sup>2</sup> is allowed.

Furthermore, LUMA is submitting with this motion an update to the (“CILTA”), help to human subsidies (“SUBA-HH”), non-help to human subsidies (“SUBA-NHH”) and energy efficiency (“EE”) rider projected costs (“EE Rider”) annual reconciliation and proposed calculated factors presented to the Energy Bureau on May 31, 2025.

LUMA’s submission also includes Excel spreadsheets filed publicly via email in a file entitled *Values* submitted with this Motion. With this motion, LUMA is submitting via email confidential Excel spreadsheets with formulae intact, submitted in a file entitled *Confidential*. As explained in Section VIII *infra*, it is hereby respectfully requested that this Energy Bureau accept and maintain the files and spreadsheets submitted in the file, *Confidential*, under seal of confidentiality.

## **II. Procedural Background**

Pursuant to orders entered in cases nos. CEPR-AP-2015-0001, NEPR-AP-2018-0003 and NEPR-MI-2020-001, the honorable Energy Bureau approves and revises the factors associated with several riders, including CILTA, SUBA-HH, SUBA-NHH and EE Rider. These riders are reconciled and set on an annual basis. Collectively, these riders are hereinafter referred to as the "Annual Riders," and the reconciliation of these riders is hereinafter referred to as the "Annual Reconciliation."

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<sup>2</sup> PREPA, P3A and Genera, the *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* (Jan. 24, 2023).

Further, pursuant to orders in the same dockets, the Energy Bureau has approved and revised the factors associated with several riders, including the FCA, PPCA, and the FOS. These riders are reconciled and set on a quarterly basis. Collectively, these riders are hereinafter referred to as the "Quarterly Riders," and the reconciliation of these riders is hereinafter referred to as the "Quarterly Reconciliation."

On June 11, 2024, the Energy Bureau issued a *Resolution and Order* titled *Determinación sobre los Factores de las Cláusulas de Ajuste Anual para el periodo de julio 2024 a junio 2025* (the "June 11, 2024 Order") In this order, the Energy Bureau determined, among other things, that the proposed factors for the Annual Riders, which will be effective as of July 1, 2024, including the proposed Annual Reconciliation for the period from May 1, 2024 to April 30, 2025, must be submitted to the Energy Bureau on or before May 31, 2025, at noon.

On March 28<sup>th</sup>, 2025, the Energy Bureau entered a *Resolution and Order* with the subject *Determinación sobre los Factores de las Cláusulas de Ajuste Trimestral para el periodo del 1 de abril de 2025 al 30 de junio de 2025* (the "March 28, 2025 Order"). In this order, LUMA was directed to submit, on or before 12:00 p.m. on Monday, June 16, 2025, the proposed factors for the Quarterly Riders that will become effective July 1, 2025, including the Quarterly Reconciliations for the months of March, April and May 2025.

Exercising its role and duties over system regulatory matters pursuant to Section 5.6 of the T&D OMA, LUMA's role is to perform the reconciliations and calculate the proposed factors for the CILTA, SUBA-HH, SUBA-NHH, FCA, PPCA, FOS and calculate the EE Rider proposed factor, to be reviewed, modified, and approved by this Energy Bureau.

The foregoing motion is being submitted in compliance with the March 28, 2024 Order. Further, it is also being submitted to supplement a motion previously submitted in compliance with the June 11, 2024 Order.

On March 17, 2025, LUMA filed a brief titled *Motion Submitting FCA and PPCA Reconciliations for December 2024 Through February 2025, Submission of FCA, PPCA, and FOS Calculated Factors, and Request for Confidential Treatment* ("March 17 Motion"). By means of the March 17 Motion, LUMA presented the reconciliation of the FCA and PPCA Clauses, corresponding to the months of December 2024 and January and February 2025, and the proposal of quarterly factors for the FCA, PPCA and FOS clauses to be in force during the period from April 1, 2025 to June 30, 2025. As detailed below, this reconciliation included costs associated with the ASAP Program, LUMA's initiative aimed at accelerating the integration of battery energy storage systems into existing independent power producer facilities in Puerto Rico to be recovered through the PPCA Clause.

On March 24, 2025, LUMA submitted a motion in the matter of *In Re: Plan Prioritario para la Estabilización de la Red Eléctrica*, Case No. NEPR-MI-2024-0005 reporting that the potential deployment of generation barges necessitates both a feasibility study and a system impact study as integral components of the interconnection process. LUMA estimated the expenses associated with these studies to be \$400,000.00.

Shortly thereafter, the Energy Bureau entered the March 28, 2025 Order by which it established the factors for the Quarterly Riders that would be in place, starting on April 1, 2025, to wit:

Adjustment Clause	Factor (\$/kWh)	Effective Dates
FCA	0.129224	April 1, 2025 – June 30, 2025
PPCA	0.051967	April 1, 2025 – June 30, 2025
FOS	0.018232	April 1, 2025 – June 30, 2025

The Energy Bureau further determined that it was necessary to recover from consumers the costs incurred under the ASAP Program through February 2025, in the amount of \$1,560,361.25, via the PPCA as part of the reconciliation period herein in question. *See* March 28, 2025 Order at 3. In addition, the Energy Bureau ordered the recovery of projected ASAP costs for the period from April 1, 2025, through June 30, 2025, totaling \$1,889,000.00, also through the PPCA Clause. *Id.*

The Energy Bureau decided that it was necessary to create a reserve of \$110 million through the FCA to withhold the portion of the payment associated with the proposed amendment to the LGA OMA for the relevant period. *Id.* at 4. The reserve was established in the amount of \$40 million, corresponding to the period from March through June 2025, at a rate of \$10 million per month. *Id.* The Energy Bureau expressly warned that these funds may not be disbursed until the Bureau has completed its evaluation of the proposed amendment, issued an amended certificate of compliance with Puerto Rico’s public energy policy, among other conditions. *Id.*

The total amount to be collected in connection with the proposed amendment is \$110 million, leaving a balance of \$70 million to be recovered through the FCA Clause in subsequent quarterly reconciliations. *Id.* Accordingly, the Energy Bureau ordered LUMA to include in its forthcoming proposals for adjustment factors the corresponding reserve item associated with the amendment, at a rate of \$10 million per month, until the remaining \$70 million is fully recovered. *Id.*

Furthermore, regarding the studies in connection with the power barges, the Energy Bureau determined that these costs are to be recovered through the PPCA. *Id* at p.4. Accordingly, LUMA was ordered to include the \$400,000.00 expense for the feasibility and impact studies related to the interconnection of generation barges as a recoverable cost under the PPCA Clause for the relevant quarterly period. *Id*.

On May 31, 2025, LUMA submitted the *Motion Submitting CILTA, SUBA-HH, and SUBA-NHH Reconciliations and Calculated Factors, EE Program Costs and Proposed Factors, and Request for Confidential Treatment of Excel Spreadsheets* (the “May 31<sup>st</sup> Motion”). Through this motion, LUMA submitted the Annual Reconciliation and proposed factors for the Annual Riders to the Energy Bureau for evaluation and approval.

### **III. Energy Bureau Authority**

This submission of the Quarterly Reconciliation and the Annual Reconciliation reconciliations and proposed factors for the Quarterly and Annual Riders involve the Energy Bureau’s authority under Act 57-2104, as amended by Act 17-2019, to “review and approve and, if applicable, modify the rates or fees charged by electric power service companies in Puerto Rico or the contractor of the transmission and distribution system of Puerto Rico in connection with any matter directly or indirectly related to the provision of electric power services.” *See* Act 17-2014, Section 6.3 (n), 22 LPRA §1054(n) (Spanish language) (2024). Also relevant is the Energy Bureau’s authority to “formulate and implement strategies to achieve the objectives of this Act including, but not limited to, attaining the goal of reducing and stabilizing energy costs....” *See Id.* at Section 6.3 (f).

### **IV. Regulatory Formulas for Calculated FCA, PPCA, and FOS Factors**

#### **1. FCA**

The FCA is a reconciling tariff mechanism that recovers the costs of fuel consumed in PREPA's generating units on a quarterly basis. *See* PREPA Tariff Book page 49. The FCA applies to all the PREPA tariffs, except for the RHR tariff (RFR by its Spanish acronym) applicable to residents of public complexes owned by the Public Housing Administration. The formula to calculate the FCA factor is:

$$\text{FCA} = \frac{\text{Total Cost of Fuel} + \text{Prior Period Reconciliation}}{\text{Total Applicable Net Retail kWh Sales}}$$

*Id.*

The total cost of fuel is the cost of fuel purchased for all PREPA's generation facilities for the three forecasted months in the quarterly period. *Id.* The prior period reconciliations are the under- or over-recovered funds for the first two months of the current quarter and the last month of the prior quarter. *Id.* LUMA, on behalf of PREPA, shall provide the estimates of the reconciling balance with each proposed quarterly filing of the FCA. *Id.* Finally, the applicable net retail kWh sales include the sale of energy to all customer classes, including the net metering clients. *Id.*

The quarterly filing of reconciliations and calculated factors is due the second week of the third month of each quarter, and the calculated factors, approved by this Energy Bureau, go into effect the first month of the following quarter.

The quarterly reconciliations also include, when applicable and as ordered by the Energy Bureau, any unreconciled amounts from the previous quarter if the factors were not adjusted during that period.

## **2. PPCA**

The PPCA is a reconciling tariff mechanism that recovers the costs of purchased power from private generators. *Id.* at page 51. The PPCA applies to all the PREPA tariffs, except for the



RHR tariff (RFR by its Spanish language acronym) (applicable to residents of public complexes owned by the Public Housing Administration). The formula to calculate the PPCA factor is:

$$\text{PPCA} = \frac{\text{Total Costs Purchased Power} + \text{Prior Period Reconciliation}}{\text{Total Applicable Net Retail kWh Sales}}$$

*Id.*

The total cost of purchased power is the cost of the energy and capacity resources purchased from private generators for the three forecasted months in the quarterly period. *Id.* The prior period reconciliations are the under- or over-recovered funds for the first two months of the current quarter and the last month of the prior quarter. *Id.* LUMA shall provide the estimated reconciling balance with each proposed quarterly filing of the PPCA. *Id.* Finally, the applicable net retail kWh sales include the sale of energy to all customer classes, including the net metering clients. *Id.*

### **3. FOS**

The FOS applies to certain general residential services tariffs (GRS, by its English-language acronym), including disabled persons, elderly persons, and university students, tariffs for special residential services (LRS, by its English-language acronym), and residential services for public projects (RH3, by its English-language acronym). *Id.* at page 53. This fuel subsidy applies to monthly consumption that does not exceed 500 kWh. It is calculated quarterly.

For the first \$30 per barrel of fuel, excluding natural gas, clients will receive a credit equivalent to the subsidy factor multiplied by the customer's monthly consumption of up to 400 kWh. *Id.* Customers who consume between 401 kWh and 425 kWh will receive a credit equivalent to a consumption of 400 kWh. *Id.* Finally, for customers that consume between 426 kWh and 500 kWh, the credit will be progressively reduced to 425 kWh to reach 0 kWh or 500 kWh. *Id.*

The quarterly filing of reconciliations and calculated factors is due the second week of the third month of each quarter, and the calculated factors will go into effect the first month of the following quarter. The quarterly reconciliations also include, when applicable and as ordered by the Energy Bureau, any unreconciled amounts from the previous quarter if the factors were not adjusted during that period.

## **V. Reconciliations**

### **1. FCA and PPCA Riders**

The reconciliations submitted with this Motion in the file entitled “FAC-PPAC Reconciliation Mar-Apr-May25\_Values.xlsx” include the reconciliations of the FCA and PPCA riders (costs versus revenues) and the amounts to be recovered or returned for each of these riders. For the quarter period, there was a total FCA excess revenue of \$3,454,006.29 and revenue insufficiency of \$18,988,568.05 under the PPCA.

#### **a. FCA**

For the month of March 2025, the fuel costs and prior period adjustments were \$178,213,509.00 and revenues totaled \$167,967,567.69. There was a revenue insufficiency of \$10,245,941.31.

For the month of April 2025, the fuel costs and prior period adjustments were \$153,105,315.83 and revenues totaled \$161,542,418.66. There was a credit pertaining to seller shortfalls from Naturgy Aprovevisionamientos S.A. of \$5,019,764.25, resulting in an excess revenue of \$13,456,867.08.

For the month of May 2025, the FCA was \$151,803,393.61, and revenues totaled \$152,046,474.13. There was an excess revenue of \$243,080.52.

#### **b. PPCA**

For the month of March 2025, the PPCA and prior period adjustments were \$65,865,669.05 and revenues totaled \$56,828,620.51. There was a revenue insufficiency of \$9,037,048.54.

For the month of April 2025, the PPCA was \$64,422,040.78, and revenues totaled \$65,038,719.24. There was a revenue insufficiency of \$616,678.46.

For the month of May 2025, the PPCA was \$67,888,767.64, and revenues totaled \$61,164,155.78. There was a revenue insufficiency of \$10,168,197.97.

## **2. CBES Program**

In a *Resolution and Order* issued on July 31, 2023, the Energy Bureau directed LUMA to contemplate recovery through the PPCA, as part of the proposed calculated PPCA factor, of the costs associated with the CBES Program (the “July 1, 2023 Order”).

On May 29, 2025, the Energy Bureau entered a *Resolution and Order* with the subject *Approval of LUMA’s Customer Battery Energy Sharing Program and Amended Reporting Requirements* in the matter of *In Re: Energy Efficiency and Demand Response Transition Period Plan*, Case No. NEPR-MI-2022-0001. In said order, the Energy Bureau

acknowledged that the summer period of this year will be a very challenging period for resource adequacy in Puerto Rico. Load shed events may be common. The Energy Bureau is taking numerous actions, along with LUMA and Genera, to mitigate these issues to the extent possible. Expansion of the CBES program is one part of this mitigation strategy, and the Energy Bureau encourages all eligible customers to contribute energy from their batteries to keep power on for others.

In the same order, the Energy Bureau approved LUMA's plan based on Scenario B for CBES+ and the remaining unapproved portions of LUMA's permanent CBES proposal, including the implementation of a DERMS platform.

Wherefore, in compliance with the July 1, 2023 Order, LUMA herein submits costs pertaining to the CBES program.

The CBES costs pertaining to the prior period are included within the reconciliation summary in Attachment 4 of the proposed factors workbook. Please refer to each line item under the Purchased Power adjustment clauses. As previously noted, due to the timing of LUMA's monthly financial closings, CBES costs are reported to have a one-month delay. For example:

- March 2025's PPCA reconciliation includes CBES costs for February 2025.
- April 2025's PPCA reconciliation includes CBES costs for March 2025.
- May 2025's PPCA reconciliation includes CBES costs for April 2025.

For this period, LUMA has included the total recovery of 10,119,701.23. Detailed cost breakdowns and forecasts are available in the "CBES Program Costs & Forecasts" tab within the *Factors workbook*.

### **3. Tranche 1 Interconnection Costs**

By *Resolution and Order* of February 5, 2024 in Case No. NEPR-MI-2020-0012, *In re: Implementation of Integrated Resource Plan and Modified Action Plan*, the Energy Bureau directed LUMA to recover excess Tranche 1 interconnection costs through the PPCA. The proposed PPCA factor contemplates the recovery of forecasted interconnection costs of \$24,716,398.00. For a breakdown of projected costs, refer to "Interconnection Costs" within the *Factors workbook*.

### **4. ASAP Program Costs**

On February 28, 2025, LUMA submitted for consideration by this Energy Bureau in the matter of *In re LUMA's Accelerated Storage Addition Program*, Case No. NEPR-MI-2024-0002, a proposed Implementation Program Plan for the ASAP Program ("February 28<sup>th</sup> ASAP Implementation Filing"). Exhibit 3 to the February 28<sup>th</sup> ASAP Implementation Filing included expected expenditures of \$15 million. LUMA proposed to recover ASAP implementation costs

through the PPCA and submitted two recovery scenarios: a “Not-to-Exceed” scenario of \$15 million and an “optimistic” scenario of \$8 million, which included costs incurred through February 2025.

Through a *Resolution and Order* dated March 5, 2025 issued in the matter mentioned above, the Energy Bureau approved the ASAP Program Implementation Plan and the ASAP Program Expenditure Collection, Reporting & Recovery Procedure (“March 5, 2025 ASAP Order”). Regarding costs to be recovered through the PPCA, the Energy Bureau approved the “optimistic” scenario of \$8 million. March 5<sup>th</sup> ASAP Order at 2-3. The Energy Bureau further stated that, “[c]onsidering current cash constraints, the Energy Bureau AUTHORIZE[D] LUMA to use the PPCA rider as a cost recovery mechanism for the ASAP implementation through December 2025.” *Id.* at 3.

*Exhibit 1* of this Motion includes LUMA’s justifications for the costs that it proposes to recover for the period of July through September 2025.

The total cost incurred from March to May 2025 for the ASAP Implementation Program was \$410,162.38. In accordance with the forecasts approved through the March 5, 2025 Order, the total forecasted costs for ASAP during Q1 FY 2026 are \$1,800,000.00.

## **VI. Updated Annual Reconciliation and Annual Riders Factors**

As mentioned above, LUMA presented the May 31<sup>st</sup>, 2025 Motion, submitting the Annual Reconciliation and Annual Riders factors for the consideration and approval of the honorable Energy Bureau. Two procedures are used to determine the riders. The revenue simulation (Excel file: 2026 Revenues Forecast) includes the current rate structure, the dispatch of the generation fleet and forecasted billing determinants. A second simulation (Excel file: FY 2026 Subsidies Forecast) is used to determine all credits for each subsidy. The data submitted with the May 31<sup>st</sup>

Motion is being revised, specifically the revenue simulation relating to rates 513 GST and TOU-T, due to an inadvertent reference error. To address this issue, which requires a revision of the proposal presented to the Energy Bureau, LUMA is submitting an amended Annual Reconciliation and Annual Rider factors for the Energy Bureau's evaluation and approval. LUMA also confirms that the updated information does not change the proposed Annual Rider factors.

LUMA respectfully submits that the need to update the data presented initially with the May 31<sup>st</sup> Motion arose only after the initial filing. The updated information is being provided to the Energy Bureau as soon as possible following the identification of the necessary revisions. LUMA emphasizes that the requirement to submit updated data is not the result of neglect, nor is it intended to cause undue delay or prejudice to any party. Rather, this update is submitted in good faith and in the interest of ensuring that the Energy Bureau has the most accurate and current information available for its consideration. LUMA further notes that the original deadline, which was set in the July 11, 2024 Order was met in full compliance, and the present submission is solely intended to amend the record with the most up-to-date data.

## **VII. FCA and PPCA Calculated Factors**

The Excel spreadsheet titled "*July\_September 2025 Proposed Factors.xlsx*" includes the proposed FCA, PPCA, and FOS factors. FCA and FOS are presented in "Attachment 1," and the PPCA factor is presented in "Attachment 2."

LUMA respectfully submits for the Energy Bureau's review and consideration the following factors applicable from July 1<sup>st</sup>, 2025, to September 30<sup>th</sup>, 2025:

Adjustment Clause	Factor (\$/kWh)
FCA	\$0.119003
PPCA	\$0.052044
FOS	\$0.025351

## **VIII. List of Documents Filed in Support of the Quarterly Reconciliation and Calculated FCA, PPCA and FOS.**

### **A. Confidential Folder**

1. Precio Ponderado Analisis \_ 2025.05.31 (Final).xlsx
2. July-September 2025 Proposed Factors.xlsx
3. FAC-PPAC Reconciliation Mar-Apr-May25.xlsx
4. Load Forecast - FY2025 Update.xlsx

### **B. Public Files in the Values Folder**

1. Inventory (Fuel) – May 31, 2025:
  - a. GPR\_Fuel Inventory\_Weighted Average Price Report\_PREPA SYSTEM\_2025.05.31.pdf
  - b. Precio Ponderado Analisis \_ 2025.05.31 (Final)\_Values.xlsx
    - i. AGUIRRE\_TANK INVENTORY\_2025.05.31.pdf
    - ii. CAMBALACHE\_Tank Inventory\_2025.05.31.pdf
    - iii. COSTA SUR\_TANK INVENTORY\_2025.05.31.pdf
    - iv. DAGUAO\_TANK INVENTORY\_2025.05.31.pdf
    - v. JOBOS\_TANK INVENTORY\_2025.05.31.pdf
    - vi. MAYAGÜEZ\_TANK INVENTORY\_2025.05.31.pdf
    - vii. PALO SECO\_TANK INVENTORY\_2025.05.31.pdf
    - viii. SAN JUAN\_TANK INVENTORY\_2025.05.31.pdf
    - ix. VEGA BAJA\_TANK INVENTORY\_2025.05.31.pdf
    - x. YABUCOA\_TANK INVENTORY\_2025.05.31.pdf
2. July-September 2025 Proposed Factors\_Values.xlsx

3. FAC-PPAC Reconciliation Mar-Apr-May25\_Values.xlsx

4. Load Forecast – FY2025 Update\_Values.xlsx

The files are attached to this motion as Exhibit 2.

**VIII. List of Documents Filed in Support of Reconciliations and Calculated, CILTA, SUBA-HH, SUBA-NHH and EE Rider Factors**

To facilitate the Energy Bureau's review of the updated submittal associated with the May 31<sup>st</sup> Motion, LUMA is submitting all supporting files relevant to the Annual Reconciliation and Annual Riders factors. For clarity and ease of reference, any files that have been updated, either directly or as a result of revised revenue figures, are clearly marked with an asterisk (\*). This approach is intended to assist the Energy Bureau in efficiently identifying and reviewing the specific documents where changes have occurred, while also providing a complete set of materials for comprehensive evaluation.

The files are attached to this motion as Exhibit 3.

**A. Confidential Folder**

1. ANNUAL RECONCILIATION-CILT AND SUB RIDERS-MAY TO APRIL 2025 revised 5.22.25.xlsx
2. Attachment 5 – CILT and SUBSIDIES RIDERS 2026.xlsx\*
3. Customers Forecasts – FY2025 Update.xlsx
4. FY2026 – Revenues Forecast.xlsx\*
5. FY2026 – Subsidies Forecast.xlsx\*
6. Load Forecast – FY2025 Update.xlsx
7. Load Forecast modifiers – FY2025.xlsx
8. CITL FY 2024 (May 2025 Updated) .xlsx



9. CILT FY 2025 (Revised).xlsx
10. CILT & SUB Costs MAY24-APR25.xlsx
11. Subsidies (CC&B Reports Supporting) May 2024 to April 2025.xlsx
12. Public Lighting- May 2024 to April 2025.xlsx

**B. Public Values Folder**

1. ANNUAL RECONCILIATION-CILT AND SUB RIDERS-MAY TO APRIL 2025 revised 5.22.25\_Values.xlsx
2. Attachment 5 – CILT and SUBSIDIES RIDERS 2026\_Values.xlsx\*
3. Customers Forecasts – FY2025 Update\_Values.xlsx
4. FY2026 – Revenues Forecast\_Values.xlsx\*
5. FY2026 – Subsidies Forecast\_Values.xlsx\*
6. Load Forecast – FY2025 Update\_Values.xlsx
7. Load Forecast modifiers – FY2025\_Values.xlsx
8. CITL FY 2024 (May 2025 Updated)\_Values.xlsx
9. CILT FY 2025 (Revised)\_Values.xlsx
10. CILT & SUB Costs MAY24-APR25\_Values.xlsx
11. Subsidies (CC&B Reports Supporting) May 2024 to April 2025\_Values.xlsx
12. Public Lighting- May 2024 to April 2025\_Values.xlsx

**IX. Request for Confidential Treatment of Excel Files and Supporting Memorandum of Law**

The confidential Excel files mentioned in the preceding section of this Motion *supra*, submitted with this Motion, include Excel spreadsheets submitted in native format (.xls) and with formulae intact. They include formulae and original calculations by LUMA personnel that reveal confidential procedures. They also include sensitive commercial information belonging to LUMA

and/or PREPA that are thus protected by law from disclosure, and that should not be disclosed in native form.

**A. Applicable Laws and Regulations to submit information confidentially to the Bureau**

The bedrock provision on the management of confidential information filed before the Energy Bureau is Section 6.15 of Act 57-2014, known as the “Puerto Rico Energy Transformation and Relief Act.” It provides, in pertinent part, that: “if 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 Commission 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.* at Section 6.15 (a).

Relatedly, in connection with the duties of electric power service companies, Section 1.10 (i) of Act 17-2019 provides that electric power service company shall provide information requested by customers, except for confidential information in accordance with the Rules of Evidence of Puerto Rico.”

Access to the 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.*, Section 6.15(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 [Bureau] who needs to know such information under nondisclosure agreements. However,

the [Bureau] shall direct that a non-confidential copy be furnished for public review”. *Id.*, Section 6.15 (c).

The Energy Bureau’s Policy on Confidential Information details the procedures a party should follow to request that a document or portion thereof be afforded confidential treatment. In essence, the referenced Policy requires the identification of the confidential information and the ... filing of 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 16, 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 the reasons why each claim or designation conforms to the applicable legal basis of confidentiality. *Id.* at paragraph 3. The party that seeks confidential treatment of information filed with the 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 paragraph 6.

The aforementioned Energy Bureau policy on the management of confidential information in procedures states the following with regard to access to validated Trade Secret Information:

1. Trade Secret Information

Any document designated by the [Energy Bureau] as Validated Confidential information because it is a trade secret under Act 80-2011 may only be accessed by the Producing Party and the [Bureau], unless otherwise set forth by the [Bureau] or any competent court.

*Id.* at Section D (on Access to Validated Confidential Information).

Relatedly, Energy Bureau Regulation No. 8543, *Regulation on Adjudicative, Notice of Noncompliance, Rate Review, and Investigation Proceedings*, includes a provision for filing confidential information in adjudicatory proceedings before this honorable Bureau. To wit, Section 1.15 provides that “a person has the duty to disclose information to the [Bureau] considered to be

privileged information, request the [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. *See also* Bureau Regulation No. 9137 on *Performance Incentive Mechanism*, Section 1.13 (addressing disclosure before the Bureau of Confidential Information and directing compliance with Resolution CEPR-MI-2016-0009).

## **B. Grounds for Confidentiality**

Under the Industrial and Trade Secret Protection Act of Puerto Rico, Act 80-2011, 10 LPRA §§4131-4144, industrial or trade secrets are deemed to be any information:

- (a) That has a present or a potential independent financial value or that provides a business advantage, insofar as such information is not common knowledge or readily accessible through proper means by persons who could make a monetary profit from the use or disclosure of such information, and
- (b) for which reasonable security measures have been taken, as circumstances dictate, to maintain its confidentiality.

*Id.* at §4131, Section 3 Act. 80-2011.<sup>3</sup> Trade secrets include, but are not limited to, processes, methods, mechanisms, manufacturing processes, formulas, projects, or patterns to develop machinery and lists of specialized clients that may afford an advantage to a competitor. *See* Statement of Motives, Act 80-2011. As explained in the Statement of Motives of Act 80-2011, protected trade secrets include any information bearing commercial or industrial value that the owner reasonably protects from disclosure. *Id.*; *see also* Article 4 of Puerto Rico's Open Data Law,

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<sup>3</sup> Relatedly, Rule 513 of the Rules of Evidence of Puerto Rico provides that the owner of a trade secret may invoke the privilege to refuse to disclose, and to prevent another person, from disclosing trade secrets, provide that these actions do not tend to conceal fraudulent actions or lead to an injustice. 32 P.R. Laws Annot. Ap. VI, R 513. If a court of law mandates disclosure of a trade secret, precautionary measures should be adopted to protect the interests of the owner of the trade secret. *Id.*

Act 122-2019 (exempting the following from public disclosure: (1) commercial or financial information whose disclosure will cause competitive harm; (2) trade secrets protected by a contract, statute or judicial decision (3) private information of third parties). *See* Act 122-2019, Articles 4 (ix) and (x) and (xi).

The Puerto Rico Supreme Court has explained that the trade secrets privilege protects free enterprise and extends to commercial information that is confidential in nature. *Ponce Adv. Med. v. Santiago Gonzalez*, 197 DPR 891, 901-02 (2017) (citation omitted).

The Excel spreadsheets submitted today in native form and with formulae intact in the file entitled *Confidential* are protected as trade secrets. They have commercial value to LUMA and PREPA as they reveal confidential processes and analysis to produce calculations in support of the public filings of the proposed rider factors. LUMA and PREPA keep and maintain these native files confidentially and do not disclose them to the public or unauthorized third parties.

LUMA appreciates the importance of placing the Energy Bureau in the position of reviewing the reconciliations and fixing the annual factors. However, to avoid future competitive harms that could ensue if original format spreadsheets with formulae and calculations are publicly disclosed, LUMA respectfully requests that the Excel files submitted today in the file entitled *Confidential* be received, kept, and maintained confidentially by this Energy Bureau.

The confidential spreadsheets included in the file entitled *Confidential* are: (1) documents with commercial and financial value, and (2) involve data that **is not common knowledge or readily accessible** by third parties who may seek to profit from the data or gain commercial advantages. The spreadsheets are business documents showing processes, methods, and mechanisms that garner protection under Act 80-2011. They are original documents that have not been disclosed to third parties and whose disclosure would reveal sensitive and private commercial

processes employed by LUMA and PREPA. The disclosure of this sensitive commercial information would place LUMA and PREPA in vulnerable and disadvantageous commercial positions that could affect LUMA customers and impact rates. Reasonable measures have been taken to protect the files from disclosure and avoid unauthorized access by third parties that could seek to gain commercial advantages. It is respectfully submitted that the spreadsheets included in the file entitled *Confidential* are trade secrets protected from public disclosure by Act 80-2011.

**WHEREFORE**, LUMA respectfully requests that the Energy Bureau **take notice** of the aforementioned, **accept** the filing of the updated Annual Reconciliation for the Annual Factors riders and the filing of the Quarterly Reconciliation for March through May 2025, and the calculated Quarterly Rider factors and updated Annual Rider factors to apply to start on July 1, 2025; and **grant** the request to keep confidentially the spreadsheets that have been filed in excel format and with formulae in the file entitled *Confidential* that is submitted with this Motion.

**RESPECTFULLY SUBMITTED.**

In San Juan, Puerto Rico, this 16<sup>th</sup> day of May 2025.

I hereby certify that this Motion was filed using the electronic filing system of this Energy Bureau and that I will send an electronic copy of this Motion to the Puerto Rico Electric Power Authority, through: Lionel Santa [lionel.santa@prepa.com](mailto:lionel.santa@prepa.com); Alexis Rivera, [arivera@gmlex.net](mailto:arivera@gmlex.net); Juan M. Martínez Nevárez, [jmartinez@gmlex.net](mailto:jmartinez@gmlex.net); and Juan R. González Galarza, [jgonzalez@gmlex.net](mailto:jgonzalez@gmlex.net); to Genera PR, LLC through: Luis Roman Negrón, [lrn@roman-negron.com](mailto:lrn@roman-negron.com); [legal@genera-pr.com](mailto:legal@genera-pr.com); and [regulatory@genera-pr.com](mailto:regulatory@genera-pr.com); and to the Independent Consumer Protection Office, through Director Hannia Rivera, [hrivera@jrsp.pr.gov](mailto:hrivera@jrsp.pr.gov).



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*Exhibit 1*

*ASAP Costs Breakdown*



## Exhibit 1

# Accelerated Storage Addition Program

On March 5, 2025, the Puerto Rico Energy Bureau (PREB or Energy Bureau) issued a Resolution and Order in Docket No. NEPR-MI-2024-0002<sup>1</sup>, approving for LUMA to utilize the Purchased Power Charge Adjustment (PPCA) rider as a cost recovery mechanism for costs associated with the implementation of the Accelerated Storage Addition Program (ASAP) through December 2025 (March 5<sup>th</sup> Order).<sup>2</sup> Furthermore, the Energy Bureau mandated that LUMA provide justification<sup>3</sup> for the expenses it proposes to recover through the proposed PPCA factor in its quarterly filing on March 17, 2025, as well as in future quarterly factors submissions, based on the Optimistic Case<sup>4</sup> expenses related to the ASAP Implementation.

ASAP is a novel initiative, supported by the Energy Bureau, which was not originally included or considered in LUMA's Operation and Maintenance (O&M) Budget. This initiative draws on industry practices from other regions in the mainland United States, particularly California and Texas.<sup>5</sup> Due to the absence of experienced personnel in Puerto Rico to develop the ASAP framework and limit resources within LUMA, the initial design, contract formulation, financial modeling, and analytical strategies were executed by legal and external consultants with relevant expertise.

On March 28, 2025, the Energy Bureau approved previously incurred ASAP Implementation costs of \$1,560,361.25 for expenditures before February 28, 2025, and projected expenses from April to June 2025 amounting to \$1,889,000.00 that pertain to legal and consulting fees directly associated with the ASAP implementation during the specified periods.

### ASAP INVOICE ACTUALS IMPLEMENTATION PROGRAM COSTS

Since the last update, from March 1, 2025, to April 30, 2025, LUMA spent \$410,166 on consultant and legal services for the ongoing development of the ASAP Program. The activities during this timeframe focused on advancing the initial four Standard Offers (SO) through the regulatory approval process, while also beginning to draft agreements for two additional participants to bring the total potential capacity for Standard Offer 1 participants to 190 MW. Consultants facilitated follow-up questions received from agencies on the agreements under review. The two new SO1 participants were engaged to provide the information necessary to prepare their preliminary SO agreements, which are now under review by the participants.

During this quarter, consultants also focused on developing preliminary drafts of the Agreed Operating Procedures (AOP) and supporting informational documents on key topics (e.g., a position paper on 'insurance'). The AOP is still under development and complements the Standard Offer and outlines the procedures to ensure safe, reliable, and efficient integration of the Battery Energy Storage System

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<sup>1</sup> IN RE: LUMA's Accelerated Storage Addition Program.

<sup>2</sup> Page 2 -3 of Resolution and Order of March 5, 2025, Docket No. NEPR-MI-2024-0002.

<sup>3</sup> In footnote No. 13, PREB emphasizes that the related expenditures must be accompanied by detailed narrative explanations, work papers, and documentation (e.g., invoices and related supporting documentation).

<sup>4</sup> Table 3 Expected Monthly Expenditure by Category of Exhibit 3 "ASAP Program Update" of February 28, 2025 LUMA's Motion, Docket No. NEPR-MI-2024-0002.

<sup>5</sup> [Energy Storage](#)

## Exhibit 1

(BESS) into the Grid System. Consultants conducted collaborative workshops with all SO1 developers to facilitate an initial review and discussion of the AOP's contents. The insights gained from these workshops were instrumental in refining the preliminary draft. To provide additional clarity on other topics, consultants also began drafting Position Papers on various topics, such as pass-through cost adjustments and expanded capacity. Legal reviewed drafts of the AOP, Large Generator Interconnection Agreement (LGIA), and advised on Position Paper topics, ensuring compliance with the Standard Offer.

Site visits to the SO1 facilities are being scheduled in two parts with the engineering firm. The initial site visits for the two most recently added SO1 participants (Polaris Punta Lima and Fonroche) were prioritized and completed in May. These site visits focused on performing an initial screening in order to prepare a memo of findings, which will identify any major issues with the proposed ASAP projects. If no major issues are identified in the memo (expected memo completion by mid-June), LUMA expects to submit the individual SO1 agreements to the Energy Bureau for consideration and approval. Coordination also started for the second part of the engineering firm's scope of work, which consists of more detailed site and substation visits to complete a Feasibility Study and System Impact Study.

The team also expanded its status reporting to meet the growing need for additional communications, both internally and externally (e.g., with interested and committed developers and regulatory agencies).

Table 0-1 lists the actual program implementation costs so far. The expenditure costs for March and April 2025 are below the previously forecasted amounts since there were several delays in the approval of expenses due to LUMA cashflow constraints. The main activities delayed were the coordination of the site visits, engineering studies, and legal review of the various materials (eg. AOP and additional SOs).

**Table 0-1. ASAP Invoice Actuals Program Implementation Costs<sup>6</sup>**

Actual Costs per Month	Legal	Consultant	Total
Expended through December 31, 2024	\$839,169	\$386,116	\$1,225,285
January 2025	Not Invoiced	\$143,742	\$143,742
February 2025	Not Invoiced	\$191,333	\$191,333
March 2025	\$(117,055) <sup>7</sup>	\$190,526	\$73,471
April 2025	\$28,860	\$307,835	\$336,695
May 2025 <sup>8</sup>	Not Invoiced	Not Invoiced	\$-

<sup>6</sup> See Motion to Submit Proposed Standard Offer Phase 2 Agreement in Compliance with Resolution and Order of December 4, 2024, and Request for Confidentiality filed on December 19, 2024, pp. 10-11.; Informative Motion and to Submit Estimate of Costs for ASAP in Compliance with Resolution and Order of January 14, 2025, and Request for Confidential Treatment filed on January 31, 2025, p. 11 and Exhibit 1; and Motion to Submit ASAP Program Implementation Plan and Associated Documents, Request for Approval of ASAP Cost Recovery Mechanism, and Request for Confidential Treatment filed on February 28, 2025, pp. 14-15 and Exhibit 3.

<sup>7</sup> The March 2025 legal expense reflects a credit that was received in March due to an adjustment of the previous invoices.

<sup>8</sup> May invoices have not been received as of the date of this filing, and thus, will be included in the next quarterly filing

# Exhibit 1

## ASAP FORECAST IMPLEMENTATION PROGRAM COSTS

### June

In June, LUMA will continue to focus on coordinating with the engineering firm on the site visits and engineering studies. Additionally, the team will focus on preparing the upcoming set of SO agreements for submission to the Energy Bureau, pending the completion of the initial screening and memo of findings. Additionally, the team will continue to collaborate with developers to refine the AOP, and an updated draft that will include their input is expected by the end of the month.

### July

In July, LUMA expects to submit the next set of SO agreements to the Energy Bureau, pending the completion of the initial screening and memo of findings. The engineering firm is also expected to continue its work on the engineering studies. The focus will also be on facilitating the final approval of the initial four SO agreements and establishing dispatch strategies for battery deployment within the Puerto Rico grid.

### August

In August, LUMA will finalize the drafts of the LGIA and AOP with legal counsel, and consultants will begin to assess the implications on other BESS initiatives. Engineering studies will be completed, and LUMA will collaborate with developers on the findings.

### September

In September, LUMA will collaborate with the developers to facilitate the timely advancement of their Engineering Procurement Construction (EPC) activities toward completion.

**Table 0-2. ASAP Forecast Program Implementation Costs**

Forecast Cost per Month	Legal	Consultant <sup>9</sup>	Total
June	To be reconciled in the September quarterly filing		
July	\$50,000	\$550,000	\$600,000
August	\$50,000	\$550,000	\$600,000
September	\$50,000	\$550,000	\$600,000

<sup>9</sup> This column includes the line items "Consultant", "Other" and "Contingency" in Table 3 of the Exhibit 3 submitted on February 28, 2025.

*Exhibit 2*

Quarterly Reconciliation and Quarterly Riders  
*Supporting files to be submitted via email*

### Exhibit 3

Annual Reconciliation and Annual Riders  
*Supporting files to be submitted via email*