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

IN RE: PUERTO RICO ELECTRIC POWER AUTHORITY RATE REVIEW	**CASE NO.:** NEPR-AP-2023-0003 **SUBJECT: Motion in Compliance with the July 14th Hearing Agenda: Questions to Genera Related Provisional Rate**

MOTION IN COMPLIANCE WITH THE JULY 14TH HEARING AGENDA: QUESTIONS TO GENERA RELATED TO THE PROVISIONAL RATE

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COMES NOW GENERA PR LLC ("Genera"), as agent of the Puerto Rico Electric Power Authority ("PREPA")[1] through the undersigned legal representation and respectfully submits and requests as follows:

1. On July 11, 2025, the Puerto Rico Energy Bureau for the Public Service Regulatory Board ("Energy Bureau"), through the Hearing Examiner, Mr. Scott Hempling, sent "Agenda for Monday Conference in Rate Case" ("Agenda") related to the July 14, 2025 hearing scheduled to discuss questions about the provisional rate application, the mechanics about the provisional rate calculation and billing, as well as other discovery and procedural matters."

2. As part of the Agenda, the Hearing Examiner proposed various questions to Genera related to the Provisional Rate filing.

3. During the July 14, 2025 hearing, Genera respectfully requested to the Hearing Examiner until later today to file with the Energy Bureau the responses to the questions related as part of the Agenda.

[1] Pursuant to the *Puerto Rico Thermal Generation Facilities Operation and Maintenance Agreement* ("LGA OMA"), dated January 24, 2023, executed by and among PREPA, Genera and the Puerto Rico Public-Private Partnerships Authority, Genera is the sole operator and administrator of the Legacy Generation Assets (as defined in the LGA OMA) and the sole entity authorized to represent PREPA before the Energy Bureau with respect to any matter related to the performance of any of the O&M Services provided by Genera under the LGA OMA.

4. In compliance with the above, Genera hereby submits as Exhibit A the "Response to Questions to the July 14th Provisional Rate Conference Agenda."

WHEREFORE, Genera respectfully requests that the Energy Bureau **ACCEPT** the submittal of Annex A and **FIND** Genera in compliance with the questions to the July 14th provisional rate conference agenda.

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 14th day of July 2025.

ECIJA SBGB
PO Box 363068
San Juan, Puerto Rico 00920
Tel. (787) 300-3200
Fax (787) 300-3208

/s/ Jorge Fernández-Reboredo
Jorge Fernández-Reboredo
jfr@sbgblaw.com
TSPR 9,669

/s/ Gabriela Alejandra Castrodad García
Gabriela Alejandra Castrodad García
gcastrodad@sbgblaw.com
RUA No. 23,584

/s/ José Javier Díaz Alonso
José Javier Díaz Alonso
jdiaz@sbgblaw.com
RUA No. 21,718

/s/ Stephen D. Romero Valle
Stephen D. Romero Valle
sromero@sbgblaw.com
RUA No. 21,881

In compliance with the Energy Bureaus' Resolution and Order issued on May 9th, 2025, regarding *Determination on Request for Accessibility to Processes to Ensure Citizen Participation*, Genera attaches a summary in Spanish of this motion as Exhibit B.

CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of this motion was filed with the Office of the Clerk of the Energy Bureau using its Electronic Filing System and that I will send an electronic copy of this motion to mvalle@gmlex.net; arivera@gmlex.net; jmartinez@gmlex.net; jgonzalez@gmlex.net; katiuska.bolanos-lugo@us.dlapiper.com; Yahaira.delarosa@us.dlapiper.com; margarita.mercado@us.dlapiper.com; carolyn.clarkin@us.dlapiper.com; andrea.chambers@us.dlapiper.com; hrivera@jrsp.pr.gov; contratistas@jrsp.pr.gov; victorluisgonzalez@yahoo.com; Cfl@mcvpr.com; nancy@emmanuelli.law; jrinconlopez@guidehouse.com; Josh.Llamas@fticonsulting.com; Anu.Sen@fticonsulting.com; Ellen.Smith@fticonsulting.com; Intisarul.Islam@weil.com; kara.smith@weil.com; rafael.ortiz.mendoza@gmail.com; rolando@emmanuelli.law; jan.albinolopez@us.dlapiper.com; Rachel.Albanese@us.dlapiper.com; varoon.sachdev@whitecase.com; epo@amgprlaw.com; loliver@amgprlaw.com; acasellas@amgprlaw.com; matt.barr@weil.com; Robert.berezin@weil.com; Gabriel.morgan@weil.com; corey.brady@weil.com; lramos@ramoscruzlegal.com; tlauria@whitecase.com; gkurtz@whitecase.com; ccolumbres@whitecase.com; isaac.glassman@whitecase.com; tmacwright@whitecase.com; jcunningham@whitecase.com; mshepherd@whitecase.com; jgreen@whitecase.com; hburgos@cabprlaw.com; dperez@cabprlaw.com; howard.hawkins@cwt.com; mark.ellenberg@cwt.com; casey.servais@cwt.com; bill.natbony@cwt.com; thomas.curtin@cwt.com; escalera@reichardescalera.com; riverac@reichardescalera.com; susheelkirpalani@quinnemanuel.com; erickay@quinnemanuel.com; dmonserrate@msglawpr.com; fgierbolini@msglawpr.com; rschell@msglawpr.com; eric.brunstad@dechert.com; Stephen.zide@dechert.com; David.herman@dechert.com; julia@londoneconomics.com; Brian@londoneconomics.com; luke@londoneconomics.com; juan@londoneconomics.com; mmcgill@gibsondunn.com; LShelfer@gibsondunn.com; jnieves@cstlawpr.com; arrivera@nuenergypr.com; apc@mcvpr.com; javrua@sesapr.org; shempling@scotthemplinglaw.com; rsmithla@aol.com; guy@maxetaenergy.com; jorge@maxetaenergy.com; rafael@maxetaenergy.com; dawn.bisdorf@gmail.com; msdady@gmail.com; mcranston29@gmail.com; ahopkins@synapse-energy.com; clane@synapse-energy.com; kbailey@acciongroup.com; ljudd@acciongroup.com; zachary.ming@ethree.com; PREBconsultants@acciongroup.com; carl.pechman@keylogic.com; bernard.neenan@keylogic.com; tara.hamilton@ethree.com; aryeh.goldparker@ethree.com; roger@maxetaenergy.com; Shadi@acciongroup.com; regulatory@genera-pr.com; legal@genera-pr.com.

In San Juan, Puerto Rico, this 14th day of July 2025.

ECIJA SBGB
PO Box 363068
San Juan, Puerto Rico 00920
Tel. (787) 300-3200
Fax (787) 300-3208

/s/ Jorge Fernández-Reboredo
Jorge Fernández-Reboredo

jfr@sbgblaw.com
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jdiaz@sbgblaw.com
RUA No. 21,718

/s/ Stephen D. Romero Valle
Stephen D. Romero Valle
sromero@sbgblaw.com
RUA No. 21,881

Exhibit A

Response to Questions to the July 14th Provisional Rate Conference Agenda

Docket Number: NEPR-AP-2023-0003
In Re: PUERTO RICO ELECTRIC POWER AUTHORITY RATE REVIEW

Re: RESPONSES TO QUESTIONS FROM THE JULY 14 PROVISIONAL RATE CONFERENCE AGENDA

GPR- PREB- NEPRAP20230003-20250714-#1

1. Clarify the discrepancy between the values presented in the testimony and Exhibit 2.2, tab A1, Cell Y83 ($653,143,878), for the optimal budget proposed, and the same discrepancy in the constrained one?

RESPONSE:

The value reflected in Exhibit 2.2, tab A1, cell Y83 ($653,143,878) does not include the $67.4 million associated with cost-shared expenses. This exclusion aligns with the standardized Excel template provided by LUMA to Genera, which was intended to ensure consistency across all budget submissions. As such, the apparent discrepancy between the testimony and the referenced exhibit arises from this structural distinction. The format intentionally segregates cost-shared components to maintain uniformity in financial presentation and facilitate cross-utility comparisons under both the optimal and constrained budget scenarios.

GPR- PREB- NEPRAP20230003-20250714-#2

2. Clarify why the testimony references a budget of $729.5 million, while Exhibit 2.2 (tab A1, cell Y83) shows $653,143,878? What factors drive this $76 million difference between the two proposed budgets?

RESPONSE:

As with the prior question, it is important to clarify that the $653,143,878 figure shown in Exhibit 2.2 (tab A1, cell Y83) does not include the $67.4 million in cost-shared expenses. This is consistent with the standardized Excel template provided by LUMA to Genera to ensure uniformity across all budget submissions.

Furthermore, the premise of the question contains a factual inaccuracy. The testimony does not reference a $729.5 million budget. The correct figure referenced in the testimony is $720.5 million, which matches the optimal budget total including the cost-shared amounts. Therefore, the implied $76 million difference is based on an incorrect baseline and should instead be understood as a $67.4 million variance—accounted for by the exclusion of cost-shared items from the Excel exhibit, as noted above.

GPR- PREB- NEPRAP20230003-20250714-#3

3. Refer to the testimony of María Sánchez Brás as Genera CFO, Ex. 22, page 7 of 11, specifically the question: What is Genera's Revenue Requirements composed of? Sánchez Brás mentioned the following: As shown in Schedule A, the Revenue Requirement of Genera's budget consists of Operating & Maintenance Expenses of Labor, Non-Labor and Other Operating Expenses, Maintenance Projects, Federal Funding Cost Share, GENCO Reserve Account, Genera's Fixed Fee per OMA, and Operating and Maintenance Expenses.

RESPONSE:

Yes, this is correct and explicitly addressed in the testimony of María Sánchez Brás, Genera's Chief Financial Officer, in Exhibit 22, page 7 of 11. In response to the question regarding the composition of Genera's Revenue Requirements, Ms. Sánchez Brás clearly states that, as shown in Schedule A, the Revenue Requirement includes: Operating & Maintenance Expenses (Labor, Non-Labor, and Other Operating Expenses), Maintenance Projects, Federal Funding Cost Share, the GENCO Reserve Account, Genera's Fixed Fee under the OMA, and Operating and Maintenance Expenses.

This comprehensive list confirms that the Revenue Requirement referenced in the testimony does include the $67.4 million related to Federal Funding Cost Share. Therefore, the budget total stated in the testimony reflects all these components, including cost-share, as opposed to the Excel file, which separates them for reporting consistency purposes, as previously explained.

GPR- PREB- NEPRAP20230003-20250714-#4

4. Clarify if there are any depreciation costs encompassed within the Non-Labor and Other Operating Expenses? If so, specify which depreciation costs are included?

RESPONSE:

No, there are no depreciation costs included within the Non-Labor and Other Operating Expenses.

GPR- PREB- NEPRAP20230003-20250714-#5

5. Specify the exact section in Exhibit 22.2 that details the costs for the Priority Stabilization Plan approved on March 28, 2025 (Case No. NEPR-MI-2024-0005).

RESPONSE:

None of the costs related to the Priority Stabilization Plan approved on March 28, 2025 (Case No. NEPR-MI-2024-0005) are included in Exhibit 22.2. As stated in Attachments A-3 and A-6 of the Electric System Stabilization Plan, the projects referenced therein are either finalized or currently pending the allocation of federal funds and have not been incorporated into Genera's proposed budget. Therefore, no section within Exhibit 22.2 contains those cost elements.

GPR- PREB- NEPRAP20230003-20250714-#6

6. For every cost category in Exhibits A1 and A2, specify where the supporting documentation can be found.

RESPONSE:

No supplemental documentation was submitted for the cost categories listed in Exhibits A1 and A2, other than the information required in the Excel Spreadsheet format supplied by LUMA.

Exhibit B

Resúmenes

Moción en cumplimiento con la agenda de la vista del 14 de julio: Preguntas a Genera relacionadas con la solicitud de tarifa provisional

Genera PR LLC presentó una moción en cumplimiento con la agenda de la vista señalada para el 14 de julio de 2025, la cual incluía unas preguntas dirigidas a Genera relacionadas a la tarifa provisional. Tras haber solicitado y haberle sido concedido un término adicional, mediante esta moción Genera somete las respuestas a las ante aludidas preguntas como Exhibit A, titulado "Response to Questions to the July 14th Provisional Rate Conference Agenda".

Exhibit A

Mediante el Exhibit A, Genera sometió sus respuestas a las seis preguntas formuladas por el Oficial Examinador en la agenda de la vista del 14 de julio de 2025.

Primero, Genera aclaró que la cifra de $653,143,878 reflejada en el Exhibit 2.2 (celda Y83) no incluye los $67.4 millones correspondientes a gastos compartidos con fondos federales, lo cual responde a un formato estandarizado provisto por LUMA para asegurar uniformidad entre los proponentes. Esta segregación técnica es la razón de la discrepancia aparente con las cifras del testimonio.

En segundo lugar, se aclaró que el testimonio de su CFO, María Sánchez Brás, no hace referencia a un presupuesto de $729.5 millones, como indicaba la pregunta, sino a $720.5 millones, lo cual corresponde al total del presupuesto óptimo incluyendo los gastos compartidos. La diferencia real, por tanto, es de $67.4 millones.

Tercero, Genera confirmó que el desglose del "Revenue Requirement" o requerimiento de ingresos está debidamente detallado en el testimonio de su CFO e incluye todos los componentes relevantes: gastos de operación y mantenimiento, proyectos de mantenimiento, aportación a pareo de fondos federales, cuenta de reserva GENCO, tarifa fija de Genera bajo el contrato OMA, entre otros.

Cuarto, se confirmó que no se incluyen costos de depreciación dentro de los gastos no relacionados a mano de obra ni en otros gastos operacionales.

Quinto, Genera aclaró que ningún costo relacionado con el Priority Stabilization Plan aprobado el 28 de marzo de 2025 está incluido en el Exhibit 22.2, ya que los proyectos correspondientes están finalizados o aún pendientes de asignación de fondos federales.

Finalmente, respecto a la documentación suplementaria de respaldo de los Exhibits A1 y A2, se indicó que no se sometió evidencia adicional fuera de la hoja de Excel provista por LUMA como formato requerido.