

**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: Hearing Examiner's Order on
PREPA-Genera Discovery Dispute

Hearing Examiner's Order on PREPA-Genera Discovery Dispute

By email dated July 16, 2025, counsel for PREPA and Genera informed me that they had resolved most of a discovery dispute. I appreciate that effort and the result. They asked me to resolve their remaining disagreement over the following four information requests, each a request from PREPA to Genera:

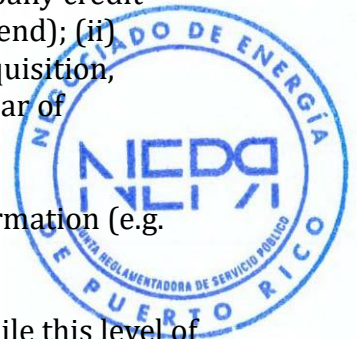
ROI # 1.d: Provide an anonymized employee roster and compensation for all current employees.

ROI # 1.e: Provide detailed inventory of vehicle fleet with all relevant information (including but not limited to cost of acquisition, date of acquisition, model year).

ROI # 1.f: Provide policies and procedures and inventory of: (i) Company credit cards (amount of credit cards and accounting detail of credit card spend); (ii) Company owned and paid mobile devices (including cost, year of acquisition, model); (iii) Company owned computers devices (including cost / year of acquisition, model).

ROI # 4: Genera—provide accounts payable aging with detailed information (e.g. amounts owed, payment terms, supplier name, etc.).

I deny ROI #s 1.d, 1.e, and 1.f. The cost and time necessary to compile this level of micro-detail, involving likely dozens of distinct cost elements for each of the three questions, exceeds the likely value to this proceeding. A rate proceeding determines the reasonable cost to provide the statutorily required service at the statutorily required level of quality. A regulatory agency makes that determination by identifying each major desired performance outcome, and each major activity necessary to produce that outcome, and then determining the reasonable cost of each such activity. To carry out those steps, it is not necessary to have the detail sought by PREPA, at least initially. Were one to find that, for example, vehicle fleet costs as a whole seemed excessive relative to need, one then might seek more detailed information about the size and components of the fleet. The same goes for data on individual employee compensation, laptops, cell



phones, and the other items listed. But at this early stage, I see no need for that information.

I deny ROI #4. I see no clear causal connection between the requested accounts payable information and the cost of providing electric service. I also know, from my work in the confidential cash flow investigation, that an accounts payable list can be very long, and have a large number of very small payables. As stated in the preceding paragraph, it is more efficient to start with the big picture. If, for example, Genera were seeking in its proposed revenue requirement an unusually large sum to cover late-payment penalties to its vendors, one might ask about its vendor-payment practices, and then seek vendor-payment information—focusing on a subset representing the largest and oldest debt. Asking at this stage for total accounts payable information is not necessary. Unless and until we have some justification, the better course is to wait.

* * *

Parties may appeal my discovery decisions to the Energy Bureau. Recognize, however, that unlike the cash flow proceeding (Case No. NEPR-IN-2024-0004), where there is a separation-of-functions wall between me and the Commissioners, in this rate case there is no such wall. As disclosed to participants last Fall, in this rate case I act as both Hearing Examiner and as one of the Commissioners' advisors.

Be notified and published.



Scott Hempling
Hearing Examiner



CERTIFICATION

I certify that the Hearing Examiner, Scott Hempling, has so established on July 17, 2025. I also certify that on July 17, 2025, a copy of this Order was notified by electronic mail 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; sromero@sbgblaw.com; gcastro@sbglaw.com; jennalvarez@sbgblaw.com; jfr@sbgblaw.com; regulatory@genera-pr.com; legal@genera-pr.com; hriviera@jrsp.pr.gov; contratistas@jrsp.pr.gov; victorluisgonzalez@yahoo.com; Cfl@mcvpr.com; nancy@emmanuelli.law; jrinconlopez@guidhouse.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;

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 apc@mcvpr.com. I also certify that on July 17, 2025, I have proceeded with the filing of the
 Order issued by the Puerto Rico Energy Bureau.

I sign this in San Juan, Puerto Rico, on July 17, 2025.



Sonia Seda Gaztambide
 Clerk