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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: LUMA's Response to Comments by Mr. Víctor González on Provisional Rate Request

LUMA'S RESPONSE TO VÍCTOR GONZÁLEZ'S COMMENTS TO PROVISIONAL RATE REQUEST

TO THE HONORABLE PUERTO RICO ENERGY BUREAU:

COME NOW LUMA Energy, LLC ("ManagementCo"), and LUMA Energy ServCo, LLC ("ServCo"), (jointly referred to as "LUMA"), through the undersigned counsel, and respectfully state and submit the following:

1. LUMA filed its *Motion Submitting Rate Review Petition* on July 3, 2025. On July 7, 2025, Victor Luis González ("Mr. González") filed a motion to intervene which the Hearing Examiner granted on July 8, 2025. The Hearing Examiner granted Mr. González's intervention based on his "longstanding interest in renewable energy, in particular generation from solar PV" that will be "affected by this proceeding," noting that "Mr. González brings 40 years of experience with energy issues in Puerto Rico," and "[h]is participation in prior proceedings has brought evidentiary value—and color." The Hearing Examiner also warned that "[t]he procedural schedule's tightness and the issues' complexity leave no room for diversion or duplication."

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¹ Hearing Examiner's Order Posing Clarification Questions About July 3 Rate Application, Addressing Two Genera Motions, Noting Correction of Discrepancy in LUMA's Proposed Provisional-Rate Rider Amount, and Granting Requests to Intervene, NEPR-AP-2023-003, a 5 (July 8, 2025) ("HE's Order Granting Requests to Intervene").

² *Id.* at 6.

- 2. On July 14, 2025, the Hearing Examiner issued the Order on Discovery, Riders Relating to Provisional Rates, Pension Issues, Permanent-Rate Effective Date, Inflation Rate, and Provisional-Rate Billing Determinants.³ Recognizing that "[i]t is unprecedented to have discovery into, and comments on, a provisional rate," the Order on Discovery "limit[ed]" the opportunity to ask discovery questions about the proposed provisional rates and "urge[d] parties to think twice before taking the opportunity."⁴ The Order on Discovery established noon on July 17, 2025, as the deadline for questions and 5:00 p.m. on July 25, 2025, as the deadline for comments.⁵ The Order on Discovery explicitly stated, "[o]n provisional rates, there is no time for follow up questions" to LUMA's responses.⁶
- 3. On Saturday, July 26, 2025, one day after the deadline for comments, Mr. González filed his "position regarding LUMA's Provisional Rate request." ("Mr. González's Position"). Mr. González's Position "question[s] the need to increase the Outage Event Reserve Account" and claims "there is no transparency as to what outage costs is LUMA claiming as Outage Event Costs entitled to draw funds from [the] Outage Event Reserve Account."
- 4. As a threshold matter, LUMA hereby files a response to Mr. González's position statement and expresses concern that parties are not following the Hearing Examiner's directives to manage this proceeding. As the Hearing Examiner acknowledged, "the procedural schedule's

³ Hearing Examiner's Order on Discovery, Riders Relating to Provisional Rates, Pension Issues, Permanent-Rate Effective Date, Inflation Rate, and Provisional-Rate Billing Determinants, NEPR-AP-2023-0003 (July 14, 2025) ("HE's Order on Discovery").

⁴ *Id.* at 1.

⁵ See id.

⁶ *Id*.

⁷ Mr. González's Position at 1.

tightness and the issues' complexity leave no room for diversion." Mr. González filed comments late, and his comments can be interpreted as follow-up questions to LUMA's responses. Neither is permitted by the Order on Discovery. LUMA must spend significant time and resources to review, analyze, and prepare responses, if any, for each comment raised. LUMA urges the Puerto Rico Energy Bureau ("Energy Bureau") to remain mindful of the necessity for a manageable proceeding. Nevertheless, LUMA provides this response to Mr. González's Position.

- 5. Mr. González's Position questions "the need to increase the Outage Event Reserve Account" and claims that "there is no transparency or clarity as to what outage costs is LUMA claiming as Outage Event Costs entitled to draw funds from Outage Event Reserve Account." Mr. González's arguments are not compelling. He provides no evidentiary support for his claims. Instead, he includes a series of rhetorical questions and without any factual basis or analysis, expresses skepticism about LUMA's Outage Event costs.
- 6. Some of Mr. González's comments purport to interpret the meaning of terms in the *Puerto Rico Transmission and Distribution Operation and Management Agreement* ("T&D OMA") between the Puerto Rico Public Private Partnerships Authority ("P3A"), the Puerto Rico Electric Power Authority ("PREPA"), and LUMA.¹¹ Put differently, Mr. González offers a legal

⁸ HE's Order Granting Requests to Intervene at 5.

⁹ HE's Order on Discovery at 2.

¹⁰ Mr. González's Position at 1.

¹¹ See id. at 2 ("Once more, the T [&D] OMA clearly defines [which] 'emergencies' or outage events qualify for funding from the Outage Event Reserve Account."); id. at 5 ("Besides these defined terms, there are other defined terms such as Forced Outage, Non-Schedule Outage (these two in the Schedule 1 to Annex I System Operation Principles), Major Outage Event (page 20) plus the use of the noun outage to define a period when a power supply is not available."); id. at 6 ("Please note that in the T [&D] OMA when discussing the Emergency Response Plan it calls for actions such as CBES+ that minimize outage and provide grid support.").

interpretation of a contract. This, too, is improper. Mr. González is not an attorney, nor is he represented by one. Moreover, the operation of the T&D OMA is entirely outside his interest and expertise as a renewable energy developer – the basis upon which the Hearing Examiner granted his intervention.

- 7. Mr. González also improperly attaches as an "Addendum" to his comments LUMA's response to his discovery request asking whether LUMA included savings from the CBES Emergency Expansion Program and the Customer Battery Energy Savings program when determining Outage Cost.¹² Mr. González provides no explanation of the purpose for which the "Addendum" serves, rendering it irrelevant to the issues he is discussing.
- 8. For the foregoing reasons, Mr. González's arguments are unavailing. Thus, the Energy Bureau should grant LUMA's provisional rate request.

WHEREFORE, LUMA respectfully requests that the Energy Bureau grant LUMA's provisional rate request. 13

RESPECTFULLY SUBMITTED.

In San Juan, Puerto Rico, this 29th day of July, 2025.

WE HEREBY CERTIFY that this Motion was filed using the electronic filing system of this Energy Bureau and that electronic copies of this Motion will be notified to Hearing Examiner, Scott Hempling, shempling@scotthemplinglaw.com; and to the attorneys of the parties of record. To wit, to the Puerto Rico Electric Power Authority, through: Mirelis Valle-Cancel, mvalle@gmlex.net; Juan González, jgonzalez@gmlex.net; Alexis G. Rivera Medina, arivera@gmlex.net; and Juan Martínez, jmartinez@gmlex.net; and to Genera PR, LLC, through: Jorge Fernández-Reboredo, jfr@sbgblaw.com; Gabriela Castrodad, gcastrodad@sbgblaw.com; José J. Díaz Alonso, jdiaz@sbgblaw.com; Stephen Romero Valle, sromero@sbgblaw.com;

¹² *Id*.

¹³ On May 9, 2025, this Energy Bureau issued a Resolution and Order, requiring that all substantive Englishlanguage filings be accompanied by concise Spanish summaries to enhance public accessibility and participation. See also Energy Bureau Resolution and Order of June 4, 2025 (clarifying that full translations are optional but summaries are mandatory. In compliance with the Energy Bureau's standing directives regarding accessibility and ensuring citizen participation, LUMA will submit later today, a Spanishlanguage summary of this Motion.

Giuliano gvilanova@vvlawpr.com; Vilanova-Feliberti. Maraliz Vázquez-Marrero, mvazquez@vvlawpr.com; ratecase@genera-pr.com; regulatory@genera-pr.com; legal@genera-pr.com; Co-counsel for Oficina Independiente de Protección al Consumidor, hrivera@jrsp.pr.gov; contratistas@jrsp.pr.gov; pvazquez.oipc@avlawpr.com; Co-counsel for de Competitividad y Sustentabilidad Económica, jpouroman@outlook.com; agraitfe@agraitlawpr.com; Co-counsel for National Public Finance Guarantee Corporation, 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; Co-counsel for GoldenTree Asset Management LP, lramos@ramoscruzlegal.com; tlauria@whitecase.com; gkurtz@whitecase.com; ccolumbres@whitecase.com; iglassman@whitecase.com; tmacwright@whitecase.com; jcunningham@whitecase.com; mshepherd@whitecase.com; igreen@whitecase.com; Co-counsel for Assured Guaranty, Inc., hburgos@cabprlaw.com; dperez@cabprlaw.com; mmcgill@gibsondunn.com; lshelfer@gibsondunn.com; howard.hawkins@cwt.com; mark.ellenberg@cwt.com; casey.servais@cwt.com; bill.natbony@cwt.com; thomas.curtin@cwt.com; Co-counsel for Syncora Guarantee, Inc., escalera@reichardescalera.com; arizmendis@reichardescalera.com; riverac@reichardescalera.com; susheelkirpalani@quinnemanuel.com; erickay@quinnemanuel.com; **PREPA** Ad Hoc Co-Counsel for the Group, dmonserrate@msglawpr.com; fgierbolini@msglawpr.com; rschell@msglawpr.com; eric.brunstad@dechert.com; Stephen.zide@dechert.com; david.herman@dechert.com; michael.doluisio@dechert.com; stuart.steinberg@dechert.com; Sistema de Retiro de los **Empleados** de Autoridad Energía Eléctrica, nancy@emmanuelli.law; la de rafael.ortiz.mendoza@gmail.com; rolando@emmanuelli.law; monica@emmanuelli.law; cristian@emmanuelli.law; lgnq2021@gmail.com; Official Committee of Unsecured Creditors of PREPA, jcasillas@cstlawpr.com; jnieves@cstlawpr.com; Solar and Energy Storage Association of Puerto Rico. Cfl@mcvpr.com; apc@mcvpr.com: javrua@sesapr.org; ccordero@arroyorioslaw.com; Wal-Mart Puerto Rico, Inc., mrios@arroyorioslaw.com; Cfl@mcvpr.com; apc@mcvpr.com; Mr. Victor González, victorluisgonzalez@yahoo.com; and Energy Bureau's Consultants. jrinconlopez@guidehouse.com; the Josh.Llamas@fticonsulting.com; Anu.Sen@fticonsulting.com; Ellen.Smith@fticonsulting.com; jorge@maxetaenergy.com; Intisarul.Islam@weil.com; rafael@maxetaenergy.com; RSmithLA@aol.com; msdady@gmail.com; mcranston29@gmail.com; dawn.bisdorf@gmail.com; ahopkins@synapse-energy.com; clane@synapse-energy.com; guy@maxetaenergy.com; Julia@londoneconomics.com; Brian@londoneconomics.com; luke@londoneconomics.com; kbailey@acciongroup.com; hjudd@acciongroup.com; zachary.ming@ethree.com; PREBconsultants@acciongroup.com

Counsel for LUMA



DLA Piper (Puerto Rico) LLC Calle de la Tanca #500, Suite 401

San Juan, PR 00901-1969 Tel. 787-945-9122 Fax 939-697-6092

/s/ Margarita Mercado Echegaray Margarita Mercado Echegaray RUA 16,266 margartita.mercado@us.dlaiper.com

Pro Hac Vice

/s/ Andrea J. Chambers
Andrea J. Chambers
DC-405613
Andrea.Chambers@us.dlapiper.com

DLA Piper LLP (US) 500 Eighth Street, NW Washington, DC 20004 United States of America Tel. +1 202.799.4440