# 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 Scheduling Conference for Questions on July 31 Provisional-Rate Order; Rejecting LUMA Submissions; and Accepting Genera Submission

# Hearing Examiner's Order Scheduling Conference for Questions on July 31 Provisional-Rate Order; Rejecting LUMA Submissions; and Accepting Genera Submission

## **Conference to address clarifying questions**

We will have a virtual conference **Tuesday, August 5, 2025**, starting at **2:00pm Atlantic**. Secretary Seda will circulate a link.

The main purpose is for PREPA, LUMA, and Genera to present any questions for clarification about, and identify any need for corrections of, the Energy Bureau Resolution and Order issued July 31, 2025, establishing provisional rates. We need to have this conference right away so that if any corrections to the provisional-rate rider amounts are necessary, those corrections can occur in time for LUMA to prepare customer bills by September 1, 2025. The purpose of the conference is not to hear arguments about the Order.

A second purpose will be for Energy Bureau consultant Zach Ming and I to ask LUMA witness Shannon some questions about Mr. Shannon's submission on rate design. That discussion will help Mr. Ming prepare his expert report due September 29, 2025. The discussion with Mr. Shannon will have two major components. The first is to gain a clearer understanding of how Mr. Shannon determined his proposed rates; in particular, their relationship to his cost-of-service study and his revenue allocation. The second purpose is to establish a process by which Mr. Ming and the Commissioners can have from LUMA a formula-filled model that allows them to test alternative rate structures based on

different possible revenue requirements. It is not ideal for a regulator to have only the utility's proposed rates as the basis from which the regulator determines the final rates.

# Rejection of LUMA's responses to comments on the July 3 application

I will not consider responses filed by LUMA on July 29, 2025, to comments on the July 3 application submitted by Mr. Victor González, Bondholders, and PREPA. I instruct all Energy Bureau consultants to ignore LUMA's responses. The Commissioners should do the same, to ensure fairness.

As I informed all by email on July 27, 2025, in response to Bondholders' request to respond to comments of ICSE:

The schedule I previously set was already uncomfortably tight. There was no room in it for responses to comments--which responses would necessarily arrive during the final 72-hour period in which the Commissioners and their advisors would be deep in final decisionmaking and drafting. I hope that the Bondholders, and anyone else wishing to use their diminishing recreational time to file responses to comments, can accept that reality. We have from now to next Spring to air all concerns, and to correct any of each other's statements.

Given that the official schedule had no place for responses to comments, Bondholders had properly asked for leave to file responses. I had denied that leave and explained why. Two days later, LUMA didn't ask for leave (error #1), ignored my justissued denial of Bondholders' request (error #2), then submitted three responses (errors #3, #4, and #5). In administrative litigation, disorderly conduct, if tolerated, would cause more disorderly conduct. That is why we have official procedures. The only remaining necessary ingredient is that all counsel accept that administrative litigation is not a free-for-all. True, I have invited and encouraged informality—but only to achieve our joint goals, not to advance any one party's goals.

#### Genera's Exhibit 22.2

Genera has submitted several versions of Exhibit 22.2. Genera seeks to withdraw prior versions, making the last-filed version the single official version. I appreciate Genera's efforts to present the most accurate information.

To create a full record, there will be no withdrawal of the prior versions. In the Energy Bureau's files, Secretary Seda shall relabel the final Exhibit 22.2 as "Exhibit 22.2-July XX FINAL REV," inserting the submission date for XX. Genera's counsel shall contact Secretary Seda informally to assist in producing that result. To assist all others, Genera's counsel shall email all, including me, this final version, labeled as just described.

I expect that the above action will not be the last time someone revises an exhibit—though the fewer times the better. In those situations, counsel should follow this approach: Submit the replacement, don't request withdrawal, and label the replacement as Exhibit XX-DATE-FINAL REV.

Be notified and published.

Sott 1/for

Scott Hempling Hearing Examiner

### **CERTIFICATION**

I certify that the Hearing Examiner, Scott Hempling, has so established on August 1, 2025. I also certify that on August 1, 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; gcastrodad@sbgblaw.com; jfr@sbgblaw.com; regulatory@genera-pr.com; legal@genera-pr.com; hrivera@jrsp.pr.gov; victorluisgonzalez@yahoo.com; contratistas@jrsp.pr.gov; 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; monica@emmanuelli.law: cristian@emmanuelli.law; lgnq2021@gmail.com; jan.albinolopez@us.dlapiper.com; Rachel.Albanese@us.dlapiper.com; varoon.sachdev@whitecase.com; jdiaz@sbgblaw.com; javrua@sesapr.org; Brett.ingerman@us.dlapiper.com; agraitfe@agraitlawpr.com; jpouroman@outlook.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; igreen@whitecase.com; hburgos@cabprlaw.com; dperez@cabprlaw.com; howard.hawkins@cwt.com: mark.ellenberg@cwt.com; casey.servais@cwt.com; escalera@reichardescalera.com; bill.natbony@cwt.com; thomas.curtin@cwt.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.comp. I also certify that on August 1, 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 August 1, 2025.

Sonia Seda Gaztambide